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H.R. __, RESTORING HEALTHY FORESTS FOR HEALTHY COMMUNITIES ACT; H.R. 1294, SELF-SUFFICIENT COMMUNITIES LAND ACT; H.R. 818, HEALTHY FOREST MANAGEMENT AND WILDFIRE PREVENTION ACT; H.R. 1345, CATASTROPHIC WILDFIRE PREVENTION ACT OF 2013; H.R. __, DEPLETING RISK FROM INSECT INFESTATION, SOIL EROSION, AND CATASTROPHIC FIRE ACT OF 2013; AND H.R. 1442, DEPLETING RISK FROM INSECT INFESTATION, SOIL EROSION, AND CATASTROPHIC FIRE ACT OF 2013.

LEGISLATIVE HEARING

BEFORE THE

SUBCOMMITTEE ON PUBLIC LANDS
AND ENVIRONMENTAL REGULATION

OF THE

COMMITTEE ON NATURAL RESOURCES
U.S. HOUSE OF REPRESENTATIVES

ONE HUNDRED THIRTEENTH CONGRESS

FIRST SESSION

Thursday, April 11, 2013

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LEGISLATIVE HEARING ON H.R. __, "RESTORING HEALTHY FORESTS FOR HEALTHY COMMUNITIES ACT"; H.R. 1294, "SELF-SUFFICIENT COMMUNITIES LAND ACT"; H.R. 818, "HEALTHY FOREST MANAGEMENT AND WILDFIRE PREVENTION ACT"; H.R. 1345, "CATASTROPHIC WILDFIRE PREVENTION ACT OF 2013"; H.R. __, "DEPLETING RISK FROM INSECT INFESTATION, SOIL EROSION, AND CATASTROPHIC FIRE ACT OF 2013"; AND H.R. 1442, "DEPLETING RISK FROM INSECT INFESTATION, SOIL EROSION, AND CATASTROPHIC FIRE ACT OF 2013."

Thursday, April 11, 2013
U.S. House of Representatives
Subcommittee on Public Lands and Environmental Regulation
Committee on NaturalResources
Washington, D.C.

The Subcommittee met, pursuant to notice, at 10:04 a.m., in Room 1324, Longworth House Office Building, Hon. Doc Hastings [Chairman of the Committee] presiding.

Present: Representatives Bishop, Young, Lamborn, McClintock, Lummis, Tipton, Labrador, Daines, LaMalfa, Hastings; Grijalva, DeFazio, Holt, Horsford, and Garcia.

Also Present: Representatives Walden, Thompson, Gosar, Herrera Beutler, Southerland, Mullin; Schrader and Huffman.

Mr. HASTINGS [presiding]. The hearing will come to order. I will note that the Subcommittee Chairman, Mr. Bishop from Utah, is normally here, but he has a conflict, which happens a lot this time of the year. So I get the privilege of chairing this Subcommittee today. And the Chair notes the presence of a quorum.

The Subcommittee on Public Lands and Environmental Regulation is meeting today to hear testimony on three bills. Under the rules, opening statements are limited to the Chairman and Ranking Member of the Subcommittee. However, I ask unanimous consent to include any Member's opening statement in the hearing if submitted to the Clerk by the end of business today.

[No response.]

Mr. HASTINGS. And without objection, so ordered. I also ask unanimous consent that Members that are not on the full Committee or this Subcommittee be allowed to sit at the dais—and there are several Members that wanted to do that—to take part in these proceedings.

[No response.]

Mr. HASTINGS. And without objection, they will be seated.

Today's hearing will consist of several panels. On the first panel we will hear testimony from the sponsors of the bills that I mentioned today, and we will go into that as soon as—I see several of the Members are here, and we will start with that.

I will now recognize myself for 5 minutes for my opening statement.

STATEMENT OF THE HON. DOC HASTINGS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mr. HASTINGS. Today the Subcommittee will hear testimony on a number of bills to address the management stalemate that afflicts millions of acres of our Federal forests. Amongst those is a proposal I recently announced, the Restoring Healthy Forests for Healthy Communities Act. This draft legislation is intended as a starting point as we work toward a long-term solution to provide a stable revenue stream for rural counties and schools.

Forested counties, including many in the Northwest, have long depended on a Federal promise of revenue from timber sales to help fund vital services, such as education and roads. Over a century ago, the Federal Government pledged to actively manage our forests and provide 25 percent of their revenues for counties that have national forest lands. The Federal Government, in my view, has failed to uphold this commitment.

The Secure Rural School Program was designed to be a short-term solution to continued funding after timber sales dramatically declined due to Federal over-regulation and harmful lawsuits. With a national debt approaching $16.8 trillion, and billions of dollars more added every day, it is becoming increasingly difficult to finance a program that costs nearly $400 million, while ignoring the real consequences of poor management of our national forests.

We need a new approach right now that renews the Federal Government's commitment to manage resources for the benefit of forested counties and their schools. Restoring active management of our national forests, as this legislation does, would ensure a stable, predictable revenue stream for counties and schools. Active management would promote healthier forests, reduce the risk of wildfires, and decrease our reliance on foreign countries for timber and paper goods.

One need look no further than my State of Washington to witness the dichotomy of how poorly managed Federal forests impact both forest health and revenues.

In my State of Washington, the Forest Service is responsible for managing over 9 million acres of forest land within seven different national forests. The Forest Service harvests only 2 percent of the new growth in Washington, and that yields about a half-a-million dollars a year in revenue.

In contrast, the State of Washington, which manages about a quarter of that, 2.2 million acres compared to 9, they produce about 1,200 times more revenue per acre than does the Forest Service. So, to me, the evidence is clear: Better management yields more and is being done right now in the States.

But even more disturbing, millions of acres of our Federal forests are consumed by wildfire each year. Last year's wildfires burned

9.3 million acres, nationwide. Now, to make a comparison, the U.S. Forest Service had only harvested approximately 200,000 acres, nationwide. This means that 44 times as many acres burned than were responsibly managed.

A further comparison. In Okanagan, Wenatchee, and Colville Forest in Eastern Washington, in my State, more than 300,000 acres burned. That is more than was harvested, nationwide.

The overgrowth and fuels-loading of these forests will either be reduced by catastrophic wildfire or by active management that we could implement to remove excessive growth and effectively and responsibly manage these forests.

So, the draft legislation and the other bills before the Subcommittee today seek to positively reverse these trends that I outlined. I commend my colleagues for the legislation they have introduced to help achieve these goals. As the clock ticks on the expiration of the Secure Rural Schools Program, and as the wildfire season rapidly approaches, these bills would require the Forest Service to more actively manage our national forests.

[The prepared statement of Mr. Hastings follows:]

Statement of The Honorable Doc Hastings, Chairman, Committee on Natural Resources

Today the subcommittee will hear testimony on a suite of bills to address the management stalemate that afflicts millions of acres of our federal forests. Amongst those is a proposal I recently announced, the Restoring Healthy Forests for Healthy Communities Act. This draft legislation is intended as a starting point as we work towards a long-term solution to provide a stable revenue stream for rural counties and schools.

Forested counties, including many in the Northwest, have long depended on a federal promise of revenue from timber sales to help fund vital services such as education and roads. Over a century ago the federal government pledged to actively manage our forests and provide 25 percent of revenues for counties containing National Forest Lands. The federal government has failed to uphold this commitment.

The Secure Rural Schools program was designed to be a short-term solution to continue providing funding after timber sales dramatically declined due to federal overregulation and harmful lawsuits. With the national debt approaching $16.8 trillion, and billions more added every day, it is becoming increasingly difficult to finance a program that costs nearly $400 million in annual spending, while ignoring the real consequences of poor management of our national forests.

We need a new approach—right now—that renews the federal government's commitment to manage resources for the benefit of forested counties and their schools.

Restoring active management of our national forests, as this legislation does, would ensure a stable, predictable revenue stream for counties and schools. Acting management would promote healthier forests, reduce the risk of wildfires, and decrease our reliance on foreign countries for timber and paper goods.

One need not look further than the State of Washington to witness the dichotomy of how poorly managed federal forests impacts both forest health and revenues.

In Washington, the Forest Service is responsible for managing over 9 million acres of forest land within seven different national forests. The Forest Service harvests only about 2 percent of the amount of new growth in Washington, yielding about a half million dollars last year in revenue.

In contrast, the State of Washington, which manages about a quarter of the amount of forest lands of those managed by the Forest Service, produces 1,200 times more revenue per acre than the forest service. The evidence is clear: better management yields more and it is being done right now by states.

Even more disturbing, millions of acres of our federal forests are consumed by wildfire each year. Last year, wildfires burned 9.3 million acres nationwide. To make a comparison, the U.S. Forest Service only harvested approximately 200,000 acres. This means that 44 times as many acres burned as were responsibility harvested.

A further comparison, in the Okanogan, Wenatchee and Colville National Forests, more than 300,000 acres of forests burned. That is more acres than the Forest Service harvested nationwide.

The overgrowth and fuels-loading of these forests will either be reduced by catastrophic wildfire, or active management could be implemented to remove excess forest growth effectively and responsibly.

This draft legislation and other bills before the Subcommittee today seek to positively reverse these trends. I commend my colleagues for the legislation they have introduced to help achieve these goals. As the clock ticks on the expiration of the Secure Rural Schools Program and as the wildfire season rapidly approaches, these bills would require the Forest Service to more actively manage our national forests.

With that, I thank our witnesses for being here and I look forward to their testimony.

Mr. HASTINGS. And with that, I want to thank the witnesses. And so we will start today with the members of the Committee who have sponsored legislation.

And I see—oh, I am sorry, Mr. Grijalva first. I forgot about that. You are recognized for 5 minutes.

Mr. GRIJALVA. Thank you. And that is why I miss Mr. Bishop on occasion.

STATEMENT OF THE HON. RAÚL M. GRIJALVA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ARIZONA

Mr. GRIJALVA. Let me thank you, Mr. Chairman, for holding this hearing today. I want to thank the witnesses, as you did, for coming, many from the West Coast and on short notice.

There is a crisis in our forests. No one disputes this simple fact. From Arizona and Colorado to Puerto Rico and Florida, forest fires have become a far-too-present reality. The administrative and on-the-ground challenges that come with managing 193 million acres of forest are not the only reason for the severity of fires that we are seeing over the past several years. Climate change is driving up the frequency and severity of forest fires, and this is a reality that has not been ignored by the Forest Service and other management agencies.

But we have to do more. All of us sitting in this room agree. We have to deal with forest management, but it isn't just forest conditions that are in crisis. The institutions responsible for the oversight and care of these national treasures are also in the midst of a serious crisis. And I am not just pointing the finger at the Forest Service. The crisis of confidence in the agency responsible for managing national forests isn't really the issue.

Chief Tidwell has been a great leader. But there are serious budget issues and management challenges that make the agency's work more difficult.

Congress also bears serious responsibility. As legislators, we are also in a crisis. In the middle of the wildfire season last year, we held several hearings on forest management. Despite nearly universal agreement that we should extend stewardship contracting and authorize good neighbor authority, we failed to get those two simple things done. We failed to have a serious conversation about the future of management and what it should look like.

When we asked the Majority if Democrats could be included in crafting the Chairman's bill, we were not included. Instead, we have bills before us today that attempt to address forest manage-

ment concerns by skirting public input and mandating timber harvest levels. These proposals jeopardize Federal commitments to all Americans, and this is grandstanding and not legislating.

There are wildfires burning now, and more on the horizon this summer. The time for political posturing is over. I am ready to sit down with my colleagues and try to work out something that has a realistic chance of becoming law. As we will hear today from Supervisor Morris, incredible things can happen if you just sit down and have a conversation.

By engaging all of the concerned stakeholders, from the timber industry to conservation advocacy groups, the Forest Service is learning about collaboration and how it works. Maybe it is time the people in this room learn the same lessons, lessons that are outside the beltway, and apply those to the work we have to do in this room.

And with that, Mr. Chairman, I yield back.

[The prepared statement of Mr. Grijalva follows:]

Statement of The Honorable Raúl M. Grijalva, Ranking Member, Subcommittee on Public Lands and Environmental Regulation

Thank you for holding this hearing today. I want to thank our witnesses for coming—many from the West Coast on short notice.

There's a crisis in our forests. No one disputes this simple fact. From Arizona and Colorado to Puerto Rico and Florida, forest fires have become a far too present reality.

The administrative and on-the-ground challenges that come with managing 193 million acres of forest are not the only reason for the severity of fires we've seen over the past several years. Climate change is driving up the frequency and severity of forest fires, and this is a reality that has not been ignored by the Forest Service and other land management agencies.

But we have to do more. All of us sitting in this room agree; we have to deal with forest management. But it isn't just forest conditions that are in crisis.

The institutions responsible for the oversight and care of these national treasures are also in the midst of a serious crisis, and I'm not just pointing a finger at the Forest Service.

The crisis of confidence in the agency responsible for managing National Forests isn't really the issue. Chief Tidwell has been a great leader, but there are serious budget issues and management challenges that make the agency's work difficult.

Congress also bears serious responsibility. As legislators, we are also in a crisis. In the middle of the wildfire season last year, we held several hearings on forest management. Despite nearly universal agreement that we should extend stewardship contracting and authorize Good Neighbor Authority, we failed to get those two simple things done.

We've failed to have a serious conservation about what future management should look like.

When we asked the Majority if Democrats would be included in the crafting of the Chairman's bill, we were told no.

Instead, we have bills before us today that attempt to address forest management concerns by skirting public input and mandating timber harvest levels. These proposals jeopardize federal commitments to all Americans and are simply grandstanding—not legislating.

There are wildfires burning now and more on the horizon this summer. The time for political posturing is over. I'm ready to sit down with my colleagues and try to work on something that has a chance of being enacted into law.

As we will hear today from Supervisor Morris, incredible things can happen if you just sit down and have a conversation. By engaging all of the concerned stakeholders—from the timber industry to conservation advocacy groups—the Forest Service is learning that collaboration works.

Maybe it is time the people in this room learn some lessons from outside the Beltway and apply those to the work we do in this room.

Thank you

Mr. HASTINGS. I thank the gentleman for his statement and I will recognize the sponsor of H.R. 818.

Mr. Tipton from Colorado is recognized to speak on his legislation.

STATEMENT OF THE HON. SCOTT R. TIPTON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF COLORADO

Mr. TIPTON. Thank you, Chairman Hastings. I appreciate you for today's hearing and for including my legislation, H.R. 818, the Healthy Forest Management and Wildfire Protection Act. I would also like to thank Commissioners John Martin and Cindy Dozier, who were willing to make the trip out from Colorado to be able to speak on an issue that they know as well as anyone. I would also like to thank my fellow members of the Natural Resources Committee, members of the Colorado Delegation, who have dedicated their time to working with me on this critical piece of legislation.

I also think it is important to take a moment to thank our Nation's wildland firefighters and first responders. I had the privilege of meeting some of these brave men and women a few weeks ago in Craig, Colorado. I think it is important to acknowledge the efforts of these folks and their colleagues. Regardless of the differences we may have on forest policy, I know that everyone on this Committee appreciates their efforts in fighting forest fires and being able to protect property.

The Bark Beetle epidemic, rampant drought, and deteriorating forest health conditions have increased the propensity for devastating wildfires throughout the western United States. According to the National Interagency Fire Center, last year more than 9.3 million acres of land burned. This is an area approximately the size of Rhode Island, Delaware, the District of Columbia, and Massachusetts, combined. These fires tragically claimed 13 lives, destroyed more than 2,000 homes, and led to hundreds of millions of dollars in damages. While the Bark Beetle outbreak and other hazardous forest health conditions have affected State and private lands, hazardous conditions are most often heavily concentrated on Federal lands, where there is a lack of active forest management. And this has allowed the epidemic to be able to spread to catastrophic levels.

Of the 6.6 million acres infested by the Mountain Pine Beetle in Colorado, over 4 million acres, an area larger than Connecticut, are on Federal forest lands. Federal efforts to responsibly manage our forests and prevent the conditions for fires that have raged across Colorado and other western States have hampered an unwieldy and regulatory framework that systematically prevents a program toward healthy forests.

H.R. 818 gives greater control to States and communities most directly affected by these conditions, and provides a pathway for comprehensive landscape level planning with a local emphasis. Tools that give greater voice to local communities and decision-making have historically been among the most effective and broadly supported land management measures. And this very notion is at the heart of this bill.

The community-centric focus of this legislation builds on the bipartisan Healthy Forest Restoration Act of 2003 by empowering

States, counties, and Tribes to have a more active role in addressing these emergency circumstances. We can proactively manage our forests, reduce future destruction from wildfires, and safeguard water supplies and species habitat and promote healthy natural environments. Using the tools of the Healthy Forest Restoration Act, which have proven to be effective, the Healthy Forest Management and Wildfire Prevention Act can help reduce the cost imposed on taxpayers due to litigation, expedite emergency mitigation procedures, and restore our forests before they go up in flames, when the costs are far greater.

H.R. 818 prioritizes conservation, and will help reduce the investment required of taxpayers by making public-private partnerships more feasible. Healthy Forest Management and Wildfire Prevention Act is the result of years of Committee work, meeting with the Forest Service, Bureau of Land Management, and other agencies, meeting with county and State officials, and with constituents, as well as congressional hearings on forest management. Everyone we have talked to agrees that more needs to be done to be able to manage our Federal forests. This legislation is the outgrowth of that stakeholder engagement. This is further beared out by the groundswell of support that we have received for this legislation from groups on both sides of the political spectrum.

This bill allows those who are most directly impacted by wildfire to take proactive measures to be able to address the problems and mitigate the root cause of catastrophic wildfire. The status quo is no longer good enough. The status quo has given us decades of declining forest health. The status quo has given us years of increasing catastrophic wildfire. The status quo puts people, communities, and the ecosystems at risk. It is time to take a stand. And it is time for action.

I urge my colleagues to join an already strong coalition of support for this common-sense bill that takes steps to be able to address the critical state of western forests. I am proud to have the support of a multitude of State and national forester associations, conservation districts, sportsmen's groups, traditional and renewable energy developers, fish and wildlife agencies, and numerous counties across the State of Colorado and elsewhere in the West.

And without objection, Mr. Chairman, I would like to be able to request that we submit their letters of support into the record.

Mr. HASTINGS. Without objection, they will be part of the record.

[The statement submitted for the record by Mr. Tipton from the Bureau of Land Management follows:]

Statement Submitted for the Record by the U.S. Department of the Interior on H.R. 818, Healthy Forests Management and Wildfire Prevention Act; and H.R. 1345, Catastrophic Wildfire Prevention Act

Introduction

Thank you for the opportunity to provide the Department of the Interior's views on H.R. 818, the Healthy Forests Management and Wildfire Prevention Act, and H.R. 1345, the Catastrophic Wildfire Prevention Act. The Department received its invitation to testify on three bills less than seven days before the hearing, and is only able to provide views on the two bills that had been introduced as of the date of the invitation.

H.R. 818 and H.R. 1345 attempt to reduce the risk of catastrophic damages resulting from wildland fire by defining new forest and fuels treatments policies on public lands managed by the Bureau of Land Management (BLM) and on National

Forest System lands managed by the U.S. Forest Service. The Department of the Interior supports the goals of enhancing restoration for public forests and rangelands and mitigating the risks of wildland fire by working more effectively with our partners, and supports Good Neighbor and Stewardship Contracting authorities. However, the Department cannot support measures that expedite restoration treatments, as well as commercial grazing and timber harvest, at the expense of appropriate environmental review and public involvement in federal actions, and therefore opposes H.R. 818 and H.R. 1345.

Background

The BLM is committed to sustaining the health, diversity, and productivity of forests and woodlands, which together comprise 58 million acres of public lands managed by the BLM. The mounting effects of insect infestations, disease outbreaks, prolonged drought, climate change, invasions of harmful non-native species, and the accumulation of fuels generate increased risks of catastrophic losses, including risks to life and property that may result from wildfire. These increasing pressures, coupled with increasing demands for uses of the public lands, may also result in the loss of natural and cultural resources, loss of wildlife habitat, and loss of recreational opportunities on the public lands.

Guiding all of the BLM's management actions—including forestry and fuels management—is the agency's land use planning process. This is an open, public process in which the agency's proposals for managing particular resources are made known to the public in advance of taking action. The BLM's plans are reviewed and analyzed by members of the public and stakeholders, including state, tribal, and local agencies, and the BLM must address all comments on agency proposals and make its responses available to the public.

Similarly, the BLM is committed to providing the full environmental review, including analysis of alternatives, and public involvement opportunities required by the National Environmental Policy Act (NEPA) for all agency proposals for BLM-managed lands. NEPA emphasizes public involvement, giving Americans a role in decisions that impact lands and resources over which Federal agencies exercise management and stewardship responsibilities. America's economic health and prosperity are inextricably linked to the productive and sustainable use of our natural resources. The NEPA process remains a vital tool as we work to protect our Nation's environment and revitalize our economy.

Fire

The Department, through the Office of Wildland Fire, coordinates fire prevention, mitigation, and response both within the Department and with external federal and non-federal partners. The National Cohesive Wildland Fire Management Strategy is an unprecedented collaborative planning and risk analysis that builds on successes of the past while incorporating a new collaborative approach to restoring and maintaining resilient landscapes, creating fire adapted communities, and managing wildfire response in a complex environment. The Department's approach to hazardous fuels reduction is integrated and coordinated across vegetation types, types of insect infestation and disease, and land ownership. The Department employs an integrated, multi-agency approach to wildland fire management, and looks forward to working with the Committee, the States, and at-risk communities to restore public forests and rangelands and mitigate the risks of wildland fire.

Forest Restoration

The Healthy Forests Restoration Act of 2003 (HFRA) provides authority for hazardous fuels treatments and other forest and rangeland restoration treatments. In FY 2012, the Department of the Interior completed about one million acres of hazardous fuels reduction treatments. Over 468,000 acres of these treatments were conducted by BLM, including thinning, salvage, and prescribed burns. The mountain pine beetle epidemic is estimated by the BLM to affect forests on up to 1.7 million acres of BLM-managed public lands, changing the character and increasing the complexity of the restoration treatments that the BLM applies. The BLM takes seriously its responsibilities for protecting people, property, and resources from wildland fire, and uses a proactive approach to treat hazardous fuels.

Because the factors that cause increasing hazardous fuel loads cross jurisdictional boundaries, the BLM has increasingly adopted a landscape approach to resource conservation and hazardous fuels treatments. The BLM routinely works with partner agencies, organizations, and landowners to engage in land and watershed restoration and hazardous fuels reduction activities on federal, state, and private lands.

Stewardship Contracting

Stewardship contracting authority, established for the BLM in the FY 2003 Omnibus Appropriations Act, allows the BLM to award contracts for fuels treatment and removal, for a period of up to ten years, and to use the value of timber or other forest products removed as an offset against the cost of services received. The BLM has enjoyed many successes in using stewardship contracting authority, accomplishing goals for hazardous fuels reduction, habitat restoration, jobs and revenue growth for local communities, and protection of local communities from wildland fire. From 2003 through 2012, the BLM offered over 400 stewardship contracts on over 112,000 acres of BLM-managed lands. The BLM's future strategy for stewardship projects includes increasing the size and duration of these projects. The 2014 President's Budget proposes to permanently authorize stewardship contracting authority for the Forest Service and BLM.

Good Neighbor Authority

Currently, the BLM is authorized through a pilot authority to enter into Good Neighbor agreements and contracts with the Colorado State Forestry Division to perform watershed restoration and protection services on BLM lands in the State of Colorado when similar and complementary work is being performed on adjacent state lands. This authority has been extended until September 30, 2013. All Good Neighbor projects must comply with applicable environmental laws and regulations, including the appropriate level of environmental review under NEPA, and must be consistent with the applicable land use plans. BLM field units are encouraged to use the Good Neighbor Authority as a tool to achieve resource work identified through the regular land use planning processes.

H.R. 818

H.R. 818 declares the bark beetle epidemic, drought, and deteriorating forest health conditions on National Forest System lands and public lands to be an "imminent threat" and empowers the Governors of states, in addition to the Secretaries of Agriculture and of the Interior, to designate "high-risk" areas on these federal lands, and to propose and require the appropriate Secretary to implement emergency hazardous fuels reduction projects within designated "high-risk" areas. The bill applies several HFRA authorities—reduced environmental analysis, special administrative review, and reduced judicial review—to the emergency hazardous fuels reduction projects as defined in H.R. 818. The bill expands Good Neighbor Authority and Stewardship Contracting Authority. The Department of the Interior supports Good Neighbor Authority and Stewardship Contracting and is committed to protecting lives, public land resources, and property from wildland fire. However, the Department opposes H.R. 818 because it restricts opportunities for public review and environmental analysis and because it would transfer authority to state Governors to direct federal resource management actions on federal lands.

Analysis

The bill's definition and designation of "high-risk" areas is exceedingly broad. With no limitations on the size, location, or present condition of such designations, the bill provides nearly unlimited authority for state Governors or the Secretary to establish a new designation without review, analysis, or public input. The bill requires Governors to consult with county governments and affected Indian tribes, but does not require consultation with the Federal land management agency. Additionally, the inclusion of a future risk of insect infestation or disease as a criterion for identifying "high-risk" areas makes the designation meaningless, as virtually all public lands with forests or vegetation could be classified as potentially at future risk of insect infestation or disease. The BLM opposes allowing state Governors (or the Secretaries) to designate management treatments on Federal lands outside of the land use planning process—which provides for public notification, public involvement, the input of stakeholders, consideration of sound science, and the analysis of alternative management options to inform federal agency land and resource management decisions.

The bill requires that initial "high-risk" areas be designated within 60 days of enactment of the Act. This short time frame would not provide the BLM sufficient time to analyze the effects of designations or consider input from the public, including ranchers, industry representatives, recreationists, and property owners. All of these uses could be affected by the designation of an area as "high risk," yet the bill's strict deadlines limit opportunities for those who use public lands to make their concerns known. The bill provides that "high-risk" areas will be designated for 20 years, which, in effect, prioritizes this work over all other work during this time frame. This long time period fails to provide opportunities to adjust course during

the 20 year period to respond to new circumstances or information, emerging threats, or to unanticipated impacts or changes in resource conditions. For example, the current mountain pine beetle outbreak had not been projected 20 years ago.

Of serious concern, the bill (Sec. 6) also requires the Secretaries to implement within 60 days projects proposed by a state Governor (or Secretary) for "high-risk" public lands, notwithstanding the outcome of the review, analysis, and public participation provisions of the bill (Sec. 7) or the availability of resources. Requiring immediate implementation of projects, without consideration or analysis of impacts or public input, prevents an open, public process and precludes effective environmental analysis. The authority provided to Governors in this provision presents additional concerns, essentially shifting the authority for resource management decisions and activities on federal lands to individual state Governors. The shift would occur without regard to national objectives or interests. In addition, requiring immediate implementation of these projects would place a serious burden on available agency funding and resources, impacting the BLM's ability to implement other BLM priorities, which include conventional and renewable energy development, other leasing and permitting activities, and existing priority restoration work.

The bill also limits environmental analysis of emergency hazardous fuels reduction projects and opportunities for public input into agency decisions on those projects through the NEPA process. In particular, the bill limits agencies' alternatives analysis under NEPA to the proposed agency action, a "no action" alternative, and any recommendations of an at-risk community's community wildfire protection plan. Moreover, the bill categorically excludes eligible wildfire prevention projects from NEPA analysis in certain circumstances, an exclusion that the Department believes may be too broadly applicable on public lands.

Finally, the bill excludes designated Wilderness and National Monuments from designation as "high-risk" areas. However, many other BLM lands include resources protected by federal law, including National Conservation Areas, National Scenic and Historic Trails, National Wild and Scenic Rivers, and Wilderness Study Areas. State Governors choosing to designate such areas as high risk areas would limit the BLM's ability to comply with its obligations to protect such resources under federal law. For example, under federal law (P.L. 105–83), the BLM has particular obligations to preserve and protect forest in the Headwaters Forest Reserve in California. State designation of this area as a "high-risk" area would severely curtail the BLM's ability to manage for resources protected by federal law.

H.R. 1345

H.R. 1345 reauthorizes and expands Stewardship Contracting and Good Neighbor Authority and provides that 25 percent of stewardship contract timber sale receipts be paid to counties. The legislation also requires the implementation of eligible wildfire prevention projects in forests and in threatened and endangered species habitat. The bill provides for a reduced period for environmental analysis for such projects, and establishes expedited administrative and judicial review. The Department of the Interior supports Good Neighbor Authority and Stewardship Contracting and is committed to protecting lives, public land resources, and property from wildland fire. However, the Department opposes H.R. 1345, because it limits public involvement in the land use planning and environmental analysis processes.

Analysis

The goals of H.R. 1345 are to provide tools for reducing wildfire potential and to mitigate the risk of catastrophic damages from wildfire. The BLM supports the extension of Stewardship Contracting Authority, but would like to discuss with the committee the impact of requiring 25 percent of stewardship contracting receipts be paid to counties. In addition, changing the requirement to obligate cancellation costs upfront sets up a process different than other contracting activities and could potentially lead to an inability to pay if unobligated funds are inadequate to cover cancellation costs at the time of cancellation. The BLM supports the extension and expansion of Good Neighbor Authority.

However, the Department does not believe that H.R. 1345 will help achieve the intended mitigation efforts as the bill does not reflect BLM's most current methods for conducting assessments and determining management practices. It would curtail the BLM's ability to use its public land use planning process to inform decision-making. The BLM uses science-based tools for assessing conditions, establishing utilization standards, and analyzing alternatives, and values both its ability to conduct science-based analyses and the input it receives from the public on the agency's proposed actions for managing particular resources.

The bill also amends the purpose of the FLAME Act to provide that FLAME funds shall be available not only for large or complex fire events but also for burn area

responses, including flood prevention. Expanding authorized use of FLAME funds would reduce the amount of funds available for fire suppression. In addition, there are other programs that support burned area rehabilitation activities.

H.R. 1345 allows fuels reduction projects, including timber harvest, in Wilderness Study Areas (WSAs). The BLM opposes this provision. The BLM has developed a non-impairment criterion to meet the requirements in the Federal Land Policy and Management Act (FLPMA) that WSAs not have their suitability for wilderness designation impaired. H.R. 1345, if enacted, could result in the loss of suitability for wilderness designation in WSAs that the BLM has managed for nonimpairment since FLPMA was enacted.

The bill imposes strict deadlines for public review and environmental analysis and deems a project NEPA compliant if the agency does not meet the deadlines. The 60- and 90-day deadlines for environmental analysis provided for in the bill would limit the BLM's ability to perform important analyses that inform its decisions and would not permit a considered response to all substantive comments received during the mandatory public comment period for draft environmental impact statements.

The bill also eliminates the alternatives analysis, which lies at the heart of NEPA and is critical in informing agency decisions. In addition, the bill categorically excludes eligible wildfire prevention projects from NEPA analysis in certain circumstances; the Department believes such a categorical exclusion may be too broadly applicable on public lands. The BLM gains important information about public and stakeholder perspectives and performs important analyses during its NEPA process. The BLM opposes provisions limiting public participation through the land use planning and NEPA analysis processes.

Furthermore, the bill provides a procedure for agencies to seek approval of alternative arrangements from the White House Council on Environmental Quality in cases where a categorical exclusion is unavailable for a proposed eligible wildfire prevention project. Under existing regulations, agencies can work expeditiously with CEQ in emergency situations where potential impacts appear significant. This provision in H.R. 1345 is therefore not needed and may, in cases where emergency circumstances exist and environmental impacts of a proposed wildfire prevention project are not believed to be significant, prevent agencies from rapidly completing an Environmental Assessment for the project, thereby delaying on-the-ground action.

Mr. TIPTON. Thank you, and I yield back.

[The prepared statement of Mr. Tipton follows:]

Statement of The Honorable Scott R. Tipton, a Representative in Congress from the State of Colorado

Thank you Chairman Hastings for holding today's hearing and for including my legislation, H.R. 818, the Healthy Forest Management and Wildfire Prevention Act. I also want to thank Commissioners John Martin and Cindy Dozier who were willing to make the trip out from Colorado to speak to an issue they know as well or better than any. I would also like to thank my fellow members of the Natural Resources Committee and members of the Colorado Delegation who have dedicated their time to working with me on this critical legislation.

I would also like to take a moment to thank our Nation's wildland fire fighters and first responders. I had the privilege of meeting some of these brave men and women a few weeks ago in Craig, Colorado. I think it is important to acknowledge the efforts of these folks and their colleagues. Regardless of the differences we may have on forest policy, I know that everyone on this committee shares this appreciation.

The bark beetle epidemic, rampant drought, and deteriorating forest health conditions have increased the propensity for devastating wildfires throughout the Western United States. According to the National Interagency Fire Center, last year more than 9.3 million acres of land burned. That is an area approximately the size of Rhode Island, Delaware, the District of Columbia and Massachusetts combined. These fires tragically claimed thirteen lives, destroyed more than 2,000 homes and led to hundreds of millions of dollars in damages.

While the bark beetle outbreak and other hazardous forest health conditions have affected state and private lands, hazardous conditions are often most heavily concentrated on federal lands where a lack of active forest management has allowed the epidemic to spread to catastrophic levels. Of the 6.6 million acres infested by the mountain pine beetle in Colorado, over 4 million acres—an area larger than Connecticut—are on federal forest lands. Federal efforts to responsibly manage our

forests and prevent the conditions for the fires that have raged across Colorado and other Western states have been hampered by an unwieldy regulatory framework that systemically prevents progress toward healthy forests.

H.R. 818 gives greater control to states and communities most directly affected by these conditions, and provides a pathway for comprehensive, landscape level planning with a local emphasis. Tools that give greater voice to local communities in decision making have historically been among the most effective and broadly supported land management measures, and this very notion is at the heart of this bill.

The community centric focus of this legislation builds on the bipartisan Healthy Forests Restoration Act of 2003 by empowering states, counties, and tribes to have a more active role in addressing these emergency circumstances, we can proactively manage our forests, reduce future destruction from wildfires, safeguard water supplies and species habitats, and promote a healthy natural environment.

Using the tools in Healthy Forests Restoration Act which have proven to be effective, the Healthy Forest Management and Wildfire Prevention Act can help reduce the cost imposed on taxpayers due to litigation, expedite emergency mitigation procedures, and restore our forests before they go up in flames, when the costs are far greater. H.R. 818 prioritizes conservation and will help reduce the investment required of taxpayers by making public private partnerships more feasible.

The Healthy Forest Management and Wildfire Prevention Act is the result of years of committee work, meetings with the Forest Service, Bureau of Land Management and other agencies, meetings with county and state officials, and with constituents; as well as Congressional hearings on forest management. Everyone that we talked to agreed that more needs to be done to manage our federal forests. This legislation is the outgrowth of that stakeholder engagement. This is further bared out by the groundswell of support that we have received for this legislation from groups on both sides of the political spectrum.

This bill allows those who are most directly impacted by wildfire to take proactive measures to address the problem and mitigate the root causes of catastrophic wildfire. The status quo is no longer good enough. The status quo has given us decades of declining forest health, the status quo has given us years of increasingly catastrophic wildfires, the status quo puts people, communities and ecosystems and risk. It's time to take a stand, it's time for action. I urge my colleagues to join an already strong coalition of support for this common sense bill that takes steps to address the critical state of Western Forests.

I'm proud to have the support of a multitude of state and national forester associations, conservation districts, sportsman groups, traditional and renewable energy developers, fish and wildlife agencies, and numerous counties across the state of Colorado and elsewhere in the West, and without objection I request to submit their letters of support for the record.

Thank you.

Mr. HASTINGS. The gentleman yields back his time.

I would now like to recognize the gentleman from Arizona, Mr. Gosar, the sponsor of H.R. 1345. The gentleman is recognized.

STATEMENT OF THE HON. PAUL A. GOSAR, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ARIZONA

Dr. GOSAR. Thank you, Chairman, for holding today's hearing on the Catastrophic Wildfire Prevention Act and a variety of other proposals to promote active forest management.

There is an emergency situation in our communities, and we must act. Due to redistricting in my State, I have represented nearly all of rural Arizona over my past 2½ years in Congress. Those areas contain over 48,000 square miles of land administered by the Federal Government, including 14,000 square miles of forest lands in Coconino, Apache Sitgreaves, Prescott, Tonto, and the Kaibab National Forest.

The region is the epicenter of our Nation's forest health emergency. Over the last 20 years, the frequency of fires and the magnitude of the acreages burned have increased strikingly. In the 1960s, a fire of several thousand acres was considered large. Today

we measure the destruction in hundreds of thousands of acres. The five largest wildfires in my State's history have been in the last 10 years. They are destroying our national treasures and livelihoods.

The fires are burning so hot they are sterilizing soil. Much of this damage will take decades to naturally repair itself, if ever. In 2 of the aforementioned Arizona fires, we have lost over 20 percent of the Mexican Spotted Owl nests that exist in the world.

We could talk for hours about the circumstances that have led to this emergency situation. In fact, we have spent hours in this Committee conducting much-needed oversight. But we are all here today to talk about potential solutions.

The current Federal system continues to prioritize fighting fires. Although the need to suppress fires is never going to go away, we must shift our priority toward proactive management of our public lands. If we don't, we are going to bankrupt our Federal and local governments, lose the natural treasures many of us hold dear, and cause a rural way of life to go extinct.

That is why I support Arizona's Collaborative Landscape-Scale Restoration Project, commonly known as the Four Forest Restoration Initiative, or 4FRI, and have introduced the Catastrophic Wildfire Prevention Act to help.

First, I would like to briefly touch on the 4FRI. This is the first of its kind. Large-scale treatment will reduce damaging wildfire impacts as well as provide forest jobs, markets for wood products, and ecological restoration. It focuses on 2.4 million acres of Ponderosa Pine forest in Arizona's national forests, 50,000 acres per year over a 20-year span. This unique collaborative project has garnered my support, as well as many of my colleagues in the Arizona Delegation, like the Ranking Member, our Governor, the affected counties and cities, and an unprecedented range of environmental groups and industry partners. I am committed to doing anything needed here in Congress to ensure the 4FRI's success.

This leads me into the legislation we are considering today, H.R. 1345. Instead of relying on the Forest Service to pay all of the cost for restoration and thinning, the 4FRI recognizes the fiscal reality of today, and allows the Feds to partner with private industry to restore proper forest healthy.

But, as you know, the agency's authority to enter into this public-private partnership expires this September. It is also important to note that 4FRI is one of the Forest Service's flagship collaboration projects. Many others and States that badly need large-scale treatment hope to pursue similar initiatives. My bill renews and reforms this important tool so that these types of initiatives are primed for success.

These landscape-scale restoration projects are a key component of our long-term plan. But we have an emergency situation now. Projects that will conclude two to five decades from now, if they aren't litigated to death, will not alleviate today's immediate danger.

That leads to the other components of my legislation. It provides the land-management agencies a variety of other tools to conduct smaller projects now. It expands the Good Neighbor Authority, a tool that allows the Feds to partner with State foresters to treat our forests. Since 2000, Colorado has used this authority to carry

out over 40 projects. Utah was granted similar authority in 2004 and has used it to carry out 15 projects on 2,800 acres of public land.

The pilot was a success, and should be expanded to all States. It provides a variety of alternative expedited arrangements to streamline thinning and grazing projects needed in immediate at-risk areas like our forest communities, critical water delivery, and electrical infrastructures, and our schools. While long-term active forest management will protect all of us over the long run, we have to protect our people and our assets today. My bill provides for that immediate relief.

H.R. 1345 has garnered bipartisan support here in Congress, co-sponsored by 14 Members from 10 different States. Additionally, it has strong support among stakeholders, including the Cattlemen, the Natural Resources Conservation Districts, and the Farm Bureau. I would like to submit a comprehensive letter of support for the record.

Mr. HASTINGS. Without objection, it will be part of the record.

[NOTE: The list of documents retained in the Committee's official files can be found on page 174.]

Dr. GOSAR. Our forests and natural resources are a way of life in Arizona. I remain saddened by what has happened to our constituents that have been adversely affected by wildfire. That suffering is avoidable, if we look forward, work collaboratively in stewardship, and address the desperate forest maintenance crisis and other natural resources-related issues facing our State. Remember, "no" is no longer an answer. It is time to have so-called skin in the game for everyone.

Thank you, Mr. Chairman, for your leadership on this issue, and I look forward to working with you on my bill and other proposals that will restore the environment, improve public safety, save the taxpayer dollars, and put people back to work. Thank you.

[The prepared statement of Dr. Gosar follows:]

Statement of The Honorable Paul A. Gosar, a Representative in Congress from the State of Arizona

Thank you Mr. Chairman for holding today's hearing on *the Catastrophic Wildfire Prevention Act* and a variety of other proposals to promote active forest management. There is an emergency situation in our communities and we must act.

Due to redistricting in my state, I have represented nearly all of rural Arizona over my past two and a half years in Congress. Those areas contain over forty-eight thousand square miles of land administered by the federal government—including fourteen thousand square miles of forest lands in Coconino, Apache-Sitgreaves, Prescott, Tonto and Kaibab National Forests.

The region is the epicenter of our nation's forest health emergency. Over the last twenty-years, the frequency of fires, and the magnitude of the acreage burned, has increased strikingly. In the 1960's a fire of several thousand acres was considered large. Today we measure the destruction in hundreds of thousands of acres. The five largest wildfires in my state's history have all occurred in the last ten years. They are destroying our natural treasures and livelihoods.

The fires are burning so hot, they are sterilizing soil. Much of this damage will take decades to naturally repair itself, if ever. In two of the aforementioned Arizona fires, we have lost over 20 percent of the Mexican spotted owl nests that exist **in the world.**

We could talk for hours about the circumstances that have led to this emergency situation—in fact we have spent hours in this committee conducting much needed oversight. But we are all here today to talk about potential solutions.

The current federal system continues to prioritize fighting fires. Although the need to suppress fires is never going to go away, we must shift our priority towards

pro-active management of our public lands. If we don't, we are going to bankrupt our federal and local governments, lose the natural treasures many of us hold dear, and cause a rural way of life to go extinct.

That is why I support Arizona's collaborative, landscape-scale restoration project, the Four Forest Restoration Initiative or 4FRI, and have introduced the Catastrophic Wildfire Prevention Act.

First I'd like to briefly touch on the 4FRI. This first of its kind large-scale treatment will reduce damaging wildfire impacts, as well as provide forest jobs, markets for wood products, and ecological restoration. It focuses on 2.4 million acres of ponderosa pine forests in Arizona's national forests—50,000 acres per year over a 20-year span.

This unique collaborative project has garnered my support, as well as many of colleagues in the Arizona Congressional Delegation like the Ranking Member, our governor, the affected counties and cities, *and an unprecedented range of environmental groups and industry partners.* I am committed to doing anything needed here in Congress to ensure the 4FRI's success.

This leads me to into the legislation we are considering today—the Catastrophic Wildfire Prevention Act (H.R. 1345).

Instead of relying on the Forest Service to pay all of the costs for restoration thinning, the 4FRI recognizes the fiscal reality of today and allows the feds to partner with private industry to restore proper forest health. But as you know, the agencies' authority to enter into these public-private partnerships expires this September. It is also important to note that the 4FRI is one of the Forest Service's flagship collaboration projects—many others in states that badly need large-scale treatment hope to pursue similar initiatives. My bill renews and reforms this important tool so that these types of initiatives are primed for success.

These landscape-scale restoration projects are a key component of our long-term plan, but we have an emergency situation now. Projects that will conclude two to five decades from now, if they aren't litigated to death, will not alleviate today's immediate danger.

That leads to the other components of my legislation. It provides the land management agencies a variety of other tools to conduct smaller projects now.

It expands "the Good Neighbor Authority—a tool that allows the feds to partner with State Foresters to treat our forests. Since 2000, Colorado has utilized this authority to carry out over 40 projects. Utah was granted similar authority in 2004 and has used it to carry out 15 projects on 2,800 acres of public land. The pilot was a success and should be expanded to all states.

My bill also provides a variety of alternative expedited arrangements to streamline thinning and grazing projects needed in immediate at-risk areas, like our forest communities, critical water delivery and electrical infrastructures, and our schools.

While long-term active forest management will protect all of us over the long-run, we have to protect our people and our assets today. My bill provides that immediate relief.

The Catastrophic Wildfire Prevention Act has garnered bipartisan support here in Congress—cosponsored by 14 members from ten different states. Additionally, it has a strong support among stakeholders including the Cattlemen, the Natural Resources Conservation Districts, and the Farm Bureau. I would like to submit a comprehensive letter of support for the record.

Our forest and natural resources are a way of life in Arizona. I remain saddened by what has happened to our constituents that have been adversely affected wildfire. That suffering is avoidable if we look forward, work collaboratively in stewardship, and address the desperate forest maintenance crisis and other natural resources-related issues facing our states. No is not an answer. It is time to have so called skin in the game from everyone.

Thank you Mr. Chairman for your leadership on this issue. I look forward to working with you on my bill and the others proposals that will restore the environment, improve public safety, save the taxpayer dollars, and put people back to work.

Mr. HASTINGS. I thank the gentleman for his statement.

I will now recognize the gentleman from Oregon, Mr. DeFazio, who, along with his two colleagues from Oregon—did I say Idaho? I knew it was Oregon. They have bipartisan legislation on something that is unique. As a matter of fact, from forest lands, the O&C issue in Oregon. So the gentleman from Oregon, Mr. DeFazio, is recognized for 5 minutes.

STATEMENT OF THE HON. PETER A. DeFAZIO, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON

Mr. DEFAZIO. Thank you, Mr. Chairman, and thanks to you and Chairman Bishop for this opportunity by granting the request to myself, Representative Schrader, and Walden for a legislative hearing on the O&C Trust, Conservation, and Jobs Act discussion draft.

This Subcommittee will spend most of its time today talking about challenges facing national forest lands, lands managed by the Forest Service. But my testimony in this afternoon's panel will focus on a unique set of lands that are found only in Western Oregon. The O&C lands are not national forest lands, not managed by the Forest Service; they are managed by the BLM. They are lands that were revested to the Federal Government. They were previously privately held. They are governed by a unique statute, the O&C Act of 1937, which mandates these lands—again, only found in Western Oregon—will be managed for a permanent sustainable timber production for the benefit of 18 Oregon counties, you know, substantially different than the mandate that is put upon the forest lands by our national enabling statutes.

They are legally unique. They have been at the center of tremendous controversy, lengthy and ongoing litigation: one case before the Supreme Court, two more are pending right now in the D.C. Circuit Court. And they could well end up before the Supreme Court again. These lands are unique and they require a unique solution. And that is what Representative Schrader, Walden, and I have written.

In short, our bipartisan solution would designate younger, previously managed timber stands for sustainable timber production to be managed by a public board under Federal laws, as they apply to private and State forests. The rest of the O&C lands, old growth, sensitive lands not suitable for logging, would be transferred to the Forest Service, set aside for conservation. All the lands would remain in Federal ownership.

But there is one point about this that I think should achieve broad support beyond Oregon among my colleagues on both sides of the aisle, which is when this legislation is fully implemented, it will save the Federal Government up to $100 million a year, which is what we are paying today not to manage the O&C lands through the Department of the Interior. And we would pay an additional $10 million a year for the privilege of managing these lands.

The discussion draft before the Subcommittee today has been publicly available for more than a year. I have been taking public comments on that. I have discussed it publicly at dozens of town halls. I have met with a very diverse array of constituency groups to hear their perspectives, learn their concerns, and discuss possible modifications.

The Governor of our State moved forward and established a stakeholder group of conservationists, industry, and county commissioners, to study this problem, and they came up with a range of seven options. Bottom line, we have had plenty of study, it is time to move forward with some action.

The timing is very important. I have a number of counties in Western Oregon that are on the brink of insolvency. They cannot afford to provide for State-mandated critical services: law enforce-

ment, jails, other things. I have very large rural counties with no rural law enforcement, none whatsoever. They are forming posses to try and take care of themselves. And there are incredible levels of poverty in these counties, over 20 percent chronic unemployment. One-fifth of the people in Jackson and Josephine are eligible for and receiving food stamps.

We need to provide for a sustainable solution that serves our forests, our communities, and our counties better. And that is what we have attempted to do with this discussion draft. It acknowledges the reality, I think, and offers a realistic plan for helping the county solve some, not all, of their challenges, this is not a panacea for these counties, it will never take them back to the revenue levels they had in the past, but it will give them enough to meet some of these basic mandates.

We also have major conservation victories in here to permanently protect the remaining old growth, to protect clean water, healthy fish populations, and to preserve some absolutely remarkable areas, the Rogue River area, Devil's Staircase, Chetco, in addition to the old growth.

The discussion draft is not a perfect bill. There are parts I would change. There are parts that Representative Schrader and Walden would change. There are provisions the conservation community, the timber industry, the counties, Tribes, recreation community would change. That is why we are having a hearing. That is the legislative process. I look forward to discussing ways to improve and strengthen the discussion draft with the witnesses.

The bottom line is doing nothing is not an option. It is time for action. It is time to stop talking about principles and concepts, and start moving forward with specific legislative ideas. That is the legislative process. You put something forward, you hear concerns, you modify it, and then you move toward enacting a law.

It is time to have this conversation, and I appreciate the opportunity the Chairman has given to us today to begin that conversation in earnest.

[The prepared statement of Mr. DeFazio follows:]

Statement of The Honorable Peter A. DeFazio, a Representative in Congress from the State of Oregon

I want to thank Chairman Hastings and Chairman Bishop for this opportunity and for granting my request—and the request of Rep. Schrader and Rep. Walden—for a legislative hearing on the O&C Trust, Conservation, and Jobs Act Discussion Draft. This is an important and timely opportunity for the Oregon Delegation, for rural communities and counties in Western Oregon, and for moving forward in finding a long-term solution for the statutorily unique O&C Lands.

Today, the subcommittee will spend most of its time talking about management challenges facing national forest lands—lands managed by the Forest Service. But my testimony and this afternoon's panel will focus on a unique set of lands found only in Western Oregon—the O&C Lands. The O&C Lands are not national forest lands and are not managed by the Forest Service. They are managed by the Bureau of Land Management.

O&C Lands are governed by a **unique statute**—the O&C Act of 1937. The Act mandates that these lands—again, found only in Western Oregon—be managed for permanent, sustainable timber production for the benefit of 18 Oregon counties. This is a different mandate than national forest lands. By law, these counties also receive 50 percent of revenues produced from the O&C Lands instead of 25 percent of revenues produced from other federal forests.

The O&C Lands are **legally unique** and have been at the center of expensive and complex legal challenges—including a case that was heard before the U.S. Su-

preme Court—for more than a century. Today, there are two pending cases in the D.C. Circuit Court relating specifically to the O&C Lands—both of which could also end up in front of the U.S. Supreme Court.

The O&C Lands are **geographically unique**. They are scattered throughout Western Oregon in a "checkerboard" pattern where a square mile of O&C land—the black square on a checkerboard—is intermingled with a square mile of private land—the white square on a checkerboard. You can imagine the management challenges associated with this configuration.

The unique O&C lands require a unique solution. That's exactly what Rep. Schrader, Rep. Walden, and I have produced. In short, our bipartisan solution would designate younger, previously managed timber stands for sustainable timber production to be managed by a public board and under federal laws as they apply to private and state forests. The rest of the O&C Lands—old growth and sensitive lands not suitable for logging—would be transferred to the Forest Service and set aside for conservation. All lands would remain in federal ownership.

Here's something this committee, and Congress more broadly, should really like about our bipartisan proposal: during a time of crushing federal debt and deficits our proposal would save the federal government $110 million every year, or more than $1 billion over a decade. And instead of providing federal support payments to 18 Oregon counties, our proposal would help make Western Oregon counties self-sufficient and actually require the public board to pay the U.S. Treasury $10 million per year for the privilege of managing a portion of the O&C Lands. That's a pretty good deal for the American taxpayer.

The discussion draft before the subcommittee today has been publicly available for more than a year. I have accepted public comments on that draft for more than a year. I have talked about the proposal publicly at dozens of town halls I held over the last year. And I have met with a diverse array of constituency groups to hear their perspectives, learn about their concerns, and to discuss possible modifications.

Governor Kitzhaber also convened a stakeholder group to discuss and study this issue in greater depth. While the group could not come to a consensus on a final plan, the governor produced a substantive report that provides detailed analyses of multiple policy options. **Bottom line: there has been no shortage of studies, robust debate, and public dialogue on this issue and the seeds of a long-term solution are in the governor's report and the bipartisan O&C Trust, Conservation, and Jobs Act**.

The timing of this hearing is also important. Right now, multiple counties in my district and in Western Oregon are approaching insolvency and will not be able to provide basic state-mandated services to its residents—such as law enforcement. Many of these counties have real unemployment at or above 20 percent. Poverty is widespread and crippling. Consider, for example, that in Josephine and Jackson counties alone more than 65,000 people—or one out of every five people in the two counties including children—are on food stamps.

The hard truth is that the federal government will not be able to bail these counties out, at least not at a funding level needed to sustain basic services in rural Oregon. The Secure Rural Schools and Community Self-Determination Act has expired. The last payments have been sent out—and even sequestered. While we need to reauthorize the critical program—a program I have strongly supported and worked hard to extend—these support payments are not a sustainable, long-term solution for Western Oregon.

The bipartisan solution I negotiated with Rep. Walden and Rep. Schrader acknowledges this reality and offers a realistic plan for helping rural Oregon counties solve some—not all—of their financial and economic challenges—challenges that have major consequences for public safety, education, transportation, and other critical government services and functions.

Our proposal would also offer major conservation victories to protect the values that Oregonians care about: clean water, healthy fish populations, and preservation of some of the most remarkable natural features in the State of Oregon such as the iconic Rogue River, Devil's Staircase, the Chetco River and a million acres of mature and old growth forest.

I will be the first to admit the discussion draft is not a perfect bill. There are parts that I would change. There are parts Representatives Schrader and Walden would change. There are provisions that the conservation community, the timber industry, the counties, the tribes, and the recreation community would change. That's why we are having this hearing. I look forward to discussing ways to improve and strengthen the discussion draft with the witnesses.

The fact is, there is no silver bullet to solve this complex set of challenges. But consider this: has there ever been a legislative solution for the O&C Lands that is **bipartisan**, would help the 18 O&C Counties provide critical government services

like keeping criminals in jail and sheriffs on the roads, that would create thousands of private sector jobs, and responsibly protect the environment all while saving the federal government $1 billion? The answer is no. Not until the O&C Trust, Conservation, and Jobs Act.

It is time for action. It's time to stop talking about "principles" and "concepts" and to start moving forward with specific, legislative ideas. And it's time to have a serious, robust conversation about the difficult choices Congress will eventually have to make. Thank you, Chairman, for allowing that conversation to move forward in this Committee.

Mr. HASTINGS. I thank the gentleman for his statement.

I will recognize another gentleman from Oregon, Eastern Oregon, Mr. Walden.

STATEMENT OF THE HON. GREG WALDEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON

Mr. WALDEN. I thank you very much, Mr. Chairman, and I want to thank you for holding this hearing, and to Mr. Grijalva, as well.

This is really important and timely. I am encouraged by the Committee's keen interest in identifying long-term solutions for our Federal forest counties and the hard-working people who live there. I recognize my colleagues from Oregon, Peter DeFazio and Kurt Schrader, for working together with me and others, as we work to deal with this problem. We all agree that the status quo serves no one well.

Later today you will hear from Commissioner Doug Robertson, Chairman of the O&C Counties Association, and Tom Tuchmann with the Governor's office. I am very pleased the Committee called on these two individuals, given their combined wealth of knowledge on the issues before us today. It is time for real change.

Let me be clear about what our forested communities face. And my colleague and friend from Southern Oregon has talked about this. Since 1990, the timber harvest from Federal forest lands in Oregon has dropped by more than 90 percent. Sixty percent of Oregon's forest lands are owned by the Federal Government, but contribute only 12 percent to the State's total timber harvest. The economic picture in Oregon's rural forested communities is just as bad.

Of the 14 forested counties I represent, 10 currently face double-digit unemployment. Eight of these counties over the last 5 years have had an average poverty level of 14 percent or greater. How could we let this happen to our rural forested communities? There appears to be a direct connection between the loss of mills and jobs and the substantial increase in poverty.

Harney County in 1989 had 3 operating mills and a poverty level of 10.6 percent. The county no longer has a single mill, poverty level is 18.6 percent, 60 percent of the school children in the county qualify for free or reduced lunch—60 percent. Harney County has seen the effects of one large catastrophic wildfire after another, and a total loss of their mill infrastructure. All this while surrounding them are hundreds of thousands of acres of Federal forests in desperate need of treatment, treatments that could provide a community with family wage jobs to people who really need them, and better habitat and less cost as we treat forest fires. This is ridiculous, and I am unwilling to say that we cannot fix it.

The Oregon Employment Department understood this connection of the loss of mill infrastructure and impact on the community. In 2007, after mills closed in John Day, Wallowa, and Hines, a report was issued which said the job losses across these three communities was the equivalent to 26,000 people losing their jobs in the more metropolitan area of Oregon. What would the outcry be if suddenly the Portland area companies like Intel or Nike just simply shut down? Well, just ask people who live in John Day, Wallowa, or Hines. They will tell you. It is devastating.

I think we can all agree the status quo just doesn't work, and won't work, going forward. Our communities don't even want the status quo. They don't want the hand-out that has made them dependent on the Federal Government. They want jobs. They want healthy forests. They are tired of the catastrophic fire and bug infestations, they are sick of the budgeting uncertainty. They want to take care of themselves.

The O&C counties sent the Oregon Delegation a letter to this effect on March 11th. I would like to enter it into the record, with your permission, Mr. Chairman.

Mr. HASTINGS. Without objection, it will be part of the record.

[NOTE: The list of documents retained in the Committee's official files can be found on page 174.]

Mr. WALDEN. Thank you. Other Oregon county governments are crying out for change. And I would like to enter into the record a letter sent by the Association of Oregon Counties this week.

I would also like to now enter into the record a report prepared in December of 2012 for Governor Kitzhaber which contains some remarkable and telling facts about the current ecological and economic conditions of forest lands and communities.

Across Southern, Central, and Eastern Oregon there are approximately 19.8 million acres of forest land. Approximately 9.2 million is available for active management. Seventy-eight percent of this ground is significantly at risk of crown fire, 78 percent is ready to go up in smoke with crown fire, a most devastating type of wildfire. Forest management activities like commercial timber harvest, stewardship contracts, and watershed restoration are conducted on 1.4 percent of the entire 9.2 million acres. That is 129,000 acres a year, 1.4 percent is all we are treating.

Given the paltry amount of activity, it is not surprising that nearly one in five people in the study area live in poverty, the highest rate in Oregon. Not only are the forests unhealthy, so are the rural forested communities, and it does not have to be this way.

I highlight all of these points, because this is exactly the same story which is playing out across western forests. President Theodore Roosevelt, the father of our great forest system, would be horrified at the condition of our forests and our rural communities. And I assure you he would charge forward with a fix to this problem, as we are proposing.

It is clear the status quo is not working, and we need to get our rural communities working again. Momentum is building for change, from county commission chambers to committee rooms in the State legislature to these very halls of Congress, we can do this. We can put people back to work in the woods. We can create prosperous communities and healthy forests. We can provide cer-

tainty for teachers and law enforcement officers, and we can better manage these forests. This is our opportunity to make Federal forest policy work for Oregon and our county and our country, and I look forward to being part of the effort.

And, Mr. Chairman, I thank you so very much for scheduling this hearing, and the incredible work you are doing on this issue.

[The prepared statement of Mr. Walden follows:]

Statement of The Honorable Greg Walden, a Representative in Congress from the State of Oregon

Chairman Bishop and Ranking Member Grijalva,

This is an important and timely hearing and I'm encouraged by the House Natural Resources Subcommittee on National Parks Forests and Public Lands interest in identifying a long-term solution for our federal forest counties and the hard-working people who live there.

I recognize my colleagues from Oregon, Representatives Peter DeFazio and Kurt Schrader, for working with me and many other Oregonians who agree that the status quo serves no one well.

Later today you will hear from Oregon's Douglas County Commissioner Doug Robertson who also chairs the Oregon & California Counties Association (O&C Counties) and Tom Tuchmann, Oregon Governor John Kitzhaber's Forestry and Conservation Advisor. I am very pleased that the Committee called on these two individuals given their combined wealth of knowledge on the issues before us today. It's time for real change.

Let me be clear about what our forested communities face—since 1990 the timber harvest from federal timber lands in Oregon has dropped by more than 90 percent—in fact 60 percent of Oregon's forestland is owned by the federal government but contributes only 12 percent to Oregon's total timber harvest. The mortality rates are above 19 percent on federal lands and we have endured hundreds of thousands of acres lost to wildfire, bug infestations, and disease. That's not a healthy picture.

The economic picture in Oregon's rural forested communities is just as bad. According to the Oregon Employment Department, of the 14 forested counties I represent, 10 currently face double digit unemployment. If this wasn't shocking enough, consider that eight of these same counties over the last five years have had an average poverty level of 14 percent or greater. How could we let this happen to our rural forested communities?

Remember from 1980 to today, Oregon went from 405 open mills to just 106 open mills—a 74 percent decrease in capacity available to do work in the woods. We went from 45,778 mill jobs to 15,706 in that time—a 66 percent drop.

There appears to be a direct connection between the loss of mills and jobs and the substantial increase in poverty—consider this, Harney County in 1989 had three operating mills and a poverty rate of 10.6 percent. The county no longer has a single mill and a poverty rate of 18.6 percent. According to the Oregon Department of Education, nearly 60 percent of school children in the county qualify for free and reduced lunch.

Harney County have seen the affects of one large catastrophic wildfire after another and a total loss of their mill infrastructure while hundreds of thousands of acres of forest surrounding them are in desperate need of treatment . . . and hundreds of people in the community are in desperate need of a good, family wage job.

This is a ludicrous situation and I am unwilling to say that we can't fix this!

The Oregon Employment Department understood this connection to the loss of mill infrastructure and impact on the community, when in 2007 after mills closed in John Day, Wallowa, and Hines, a report was issued which said the job losses across the three communities was the equivalent to the Portland metro area of suddenly having over 26,000 additional people out of work. What this means is that a job in one of Oregon's rural forested community has the potential local economic impact as 139 jobs in one or Oregon's metropolitan areas.

What would the outcry be if suddenly Portland-Beaverton-based Intel and Nike just shut down . . . what would the impact be on schools, business, churches..the community? Well just ask people who live in John Day, Wallowa, and Hines . . . they will tell you it's devastating.

I think we can all agree that the status quo doesn't work, and won't work going forward.

Our communities don't even want the status quo. They don't want the handout that's made them dependent on the federal government. They want jobs. They want

healthy forests. They're tired of the catastrophic fire and the bug infestation. They're sick of the budgeting uncertainty that comes with not knowing if Uncle Sam will pay his fair share.

The O&C Counties sent the Oregon delegation a letter on March 11 that I would like to enter into the record. In it they make statements like "The O&C Counties are not interested in legislation that only pretends to solve the problem" . . . are "seeking meaningful relief from the unacceptable status quo" . . . and that they (the O&C Counties) "remain steadfastly supportive of the O&C Lands Trust, Conservation and Jobs Act" as currently proposed by myself and Representatives DeFazio and Schrader. Counties and forested communities are calling on the congress to provide them the ability to pursue the American ideal of self-reliance once more.

I would like to now enter into the record a report prepared in December for Oregon Governor John Kitzhaber and members of the Oregon legislature titled the "**National Forest Health Restoration—An Economic Assessment of Forest Restoration on Oregon's Eastside National Forests**" which contains some remarkable and telling facts about the current ecological and economic conditions of forest lands and communities.

It is important to note the diverse and knowledgeable group that made up the steering committee—Association of Oregon Counties; Ochoco Lumber Company; Office of Governor John Kitzhaber; Oregon Business Council; Oregon Department of Energy; Oregon Department of Forestry; Oregon Forest Resources Institute; Oregon Solutions; Oregon State University; Oregon Watershed Enhancement Board; Sustainable Northwest; The Nature Conservancy; and the Forest Service.

As stated from the report "The purpose of this study is to provide an accurate economic impact assessment of forest health restoration on Oregon's eastside National Forests." The basic takeaways of the report are that reduced forest management activity in eastern, southern, and central Oregon has decreased timber supply and hurt many families.

The report clearly states that between 2006 and 2011, annual food stamp use and welfare payments in these areas tripled to nearly $300 million, and in 2010, Oregon distributed $470 million in unemployment insurance claims to 29,000 people in the study area.

The report underscored the fact that in these rural forested communities, nearly 1 in 5 people live in poverty, the highest rate in Oregon. Not only are the forests unhealthy, so are these rural forested communities. It doesn't have to be this way.

Oregon's county governments are crying out for change. I would like to enter into the record a letter sent by the **Association of Oregon Counties** this week which states:

"We are faced with two dire problems in the vast stretches of Oregon dominated by national and O&C forests:

1. The forests are sickly, crowded, dead, dying, and burning up; and
2. Surrounding and dependent communities are in deep economic dysfunction.

Both problems can be addressed through active management of our federal forests."

To underscore this call for change, consider that across southern, central, and eastern Oregon that there are approximately 19.8 million acres of forestland—11.3 million of which is administered by the Forest Service.

Approximately 9.2 million acres of this ground is available for management or, in other words, not excluded by congressional action from forest management activities. A key fact in the Governor's report is that 78 percent of this 9.2 million acres, or 7.1 million acres, are at significant risk of crown fire, a most devastating type of wildfire.

Remarkably, the Forest Service is only able to conduct forest management activities—commercial timber harvest, stewardship contracts, watershed restoration, hand piling, etc—on 1.4 percent of the entire 9.2 million acres—just 129,000 acres each year. Are you kidding me!

We all know that each year the federal government spends a tremendous amount of money on fighting wildfires. The Governor's report stated:

"From 2007 to 2011, large fires annually burned an average of 56,000 acres of national forestland in eastern Oregon, which cost $43.6 million, on average. Based on these five-year averages, the USFS spends an estimated $780 per acre on expenses related to fire suppression each year. These costs include the cost to suppress and contain the fire as well as any rehabilitation of fire suppression activities."

According to the Oregon Department of Forestry, over a 20 year period from 1980 to 2000 wildfires in eastern Oregon burned approximately 553,000 acres with an average fire size of 26,000 acres. Over the last 10 years wildfires in the same area has burned a total of 1 million acres averaging 93,000 acres.

Now here's the real kicker—from 2007 to 2011, fires east of the Cascades larger than 100 acres burned an estimated 279,000 of federal forest lands costing $218 million in suppression costs. The Governors report sums up this situation, stating:

"At current levels, the USFS spends $40.8 million dollars each year to treat 129,000 acres. Based on the average fire suppression cost of $780 per acre, the USFS would incur approximately $100 million in fire suppression costs each year if 129,000 acres were left untreated and burned by wildfire. The difference between the cost of implementing restoration and incurring fire suppression costs represents a potential $59.2 million annual savings for the USFS. In other words, for every $1 the USFS spends on forest restoration, the agency avoids a potential loss of $1.45."

Remember, the current forest management footprint across southern, central, and eastern Oregon is only conducting projects on 1.4 percent of the 9.2 million acres. As outlined in the report, *"in order to treat all the available acres at least one time during a 20 year time period, the Forest Service will need to reach an annual pace of 5 percent."* No part of the study area even comes close to conducting projects at this level.

In fact, if we doubled the amount of acres treated every year to 258,000 acres, we would still fall 202,000 acres less than what is needed to achieve a 5 percent accomplishment rate of 460,000 acres a year!

I highlight all of these points because this is the exact same story which is playing out across our western forest reserves. President Theodore Roosevelt, the father of our great forest system, would be horrified at the conditions of our forest and rural communities. I assure you that he would charge forward to fix this problem.

It's clear the status quo isn't working. We need to get our rural communities working again.

I would like to enter into the record a joint **Oregon Senate-House legislative resolution (SJM10)** sponsored by Republicans and Democrats, including the state Senate President and Speaker of the Oregon House. The resolution urges Congress to transfer management of Oregon and California Railroad grant lands to newly established board of trustees consisting of representatives from local government, environmental organizations and timber industry."

Momentum is building for change—from county commission chambers, the committee rooms of the state legislature, and the halls of Congress. We can do this. We can put people back to work in the woods. We can create prosperous communities and healthy forests. We can provide certainty for teachers and law enforcement officers. We can better manage our forests.

This is our opportunity to make federal forest policy work for Oregon. I look forward to being a part of this effort.

Mr. HASTINGS. I thank the gentleman for his comments, and I will recognize another gentleman from Oregon, from the northwestern part, north-central-western part of Oregon. You know where you are from, anyway.

[Laughter.]

Mr. HASTINGS. Mr. Schrader, you are recognized.

STATEMENT OF THE HON. KURT SCHRADER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON

Mr. SCHRADER. You did a great job, Mr. Chairman. Thanks for the opportunity to testify this morning on behalf of this bipartisan proposal that my colleagues and I have put forth. I will try and keep my remarks fairly brief, and ask that my full testimony be submitted for the record.

Mr. HASTINGS. It will be made part of the record.

Mr. SCHRADER. The financial problems our counties are facing in Oregon are unlike anything we have seen in recent history. The likelihood of bankruptcy for my rural timber-dependant Oregon counties is closer than ever, as we have heard, some facing possible bankruptcy within the year. Other parts of the country are recovering, and unemployment rates are dropping. The unemployment

rates in many rural counties, as you have heard, including Oregon, remain in the double digits.

Unemployment isn't the only problem that they are facing. Due to extreme budget cuts, counties are unable to pay for basic services their citizens rely on, like public health, education for the children, and basic public safety. One of our rural counties, as Congressman DeFazio alluded to, Josephine County, the citizens have actually resorted to arming themselves—some have never worn a gun before—because of increased thefts and looting that has gone on in the counties because they have had to cut back their public service—their public safety agency so dramatically.

In Polk County, in my district, they have also gone through another round of cuts to law enforcement officers and prosecutors. The county is currently at a minimum staffing level for county jail and sheriff patrol, no longer able to provide 24-hour service. And sheriff deputies are now being co-opted by the county judges to assist in court proceedings, rather than be on patrol, so the judges can meet their needs. These examples are not unique, though, just to these two counties. Budgets are being cut, workers being laid off, schools are closing, crime is increasing. We cannot expect these communities to live with this uncertainty any longer.

With a 90 percent decline in timber harvest on public land since 1990, our forests have become increasingly unhealthy. Without active management, forests have become overgrown, leaving them extremely susceptible not only to the catastrophic wildfire Congressman Walden alluded to, but disease like Swiss Needle Cast and Sudden Oak Death, and insect infestation from Bark Beetles.

These extreme events can and often result in diminished water quality, habitat loss, and significant harm to our environmental and ecological attributes the forest ecosystem needs to be sustainable. While most western States hold a significant amount of public land, the unique Oregon and California grant land system, commonly known as O&C lands, are only found in Oregon. These lands have a unique mandate very different than a lot of BLM lands. In the 1937 Act, it states that the timber land shall be managed for permanent forest production, and the timber thereon shall be sold, cut, and removed in conformity with the principle of sustained yield for the purpose of providing a permanent source of timber supply.

Fifty percent of the revenue generated off these lands goes directly to county payments, which the O&C counties had heretofore relied on for their livelihoods. The problems facing O&C lands which are currently under BLM jurisdiction, that have been managed more like National Forest system rather than their original intention, deserve a unique solution. That is what we are asking for here. I appreciate the opportunity to be part of this bill.

Our proposal received endorsements, as you have heard, from the Oregon State Senate, the Oregon House of Representatives, and the Governor's office. Based on a recent model I asked Governor Kitzhaber's O&C Committee to run, our proposal would only harvest less than half of what the lands are capable of producing, which is still a third less than the average harvest levels back in the 1990s. The bill we have proposed will protect nearly half of the lands for old growth, critical habitat for species and aquatic protec-

tions for fish and drinking water, along with additional protection for Oregon's special places, such as the Molalla River in my home district.

We think this is a great, balanced approach, fair, end to the timber wars, and hopefully the resurrection of rural timber counties across this country, and particularly in our State.

We thank you, Mr. Chairman, for the opportunity to testify. I yield back.

[The prepared statement of Mr. Schrader follows:]

Statement of The Honorable Kurt Schrader,
a Representative in Congress from the State of Oregon

Mr. Chairman, thank you for the opportunity to testify this morning on behalf of the bipartisan proposal my colleagues and I have put forth.

The financial problems our counties are facing are unlike anything we've seen in recent history. The likelihood of bankruptcy for my rural Oregon counties is closer than ever, some facing possible bankruptcy within the year. While other parts of the country are recovering and unemployment rates are dropping, the unemployment rates in many rural counties, including Oregon counties, remain in the double digits.

Unemployment isn't the only problem counties are facing. Due to extreme budget cuts, counties are unable to pay for basic services their citizens rely on, like public health, education for our children, and public safety.

In the case of one rural Oregon County, some residents living in Josephine County have resorted to arming civilians for a community watch program because so many law enforcement officers have been laid off and so few jail beds remain open for those officers still at work.

Another example is in Polk County, Oregon, which is in my district, where they recently went through another round of cuts to law enforcement officers and prosecutors. The county is currently at a minimum staffing level for the county jail and sheriff patrol and is no longer available to provide 24-hour service to its citizens. Sheriff Deputies are being required by county judges to assist in court proceedings rather than being on patrol in lieu of staff layoffs.

These examples unfortunately are not unique to those two counties. Budgets are being cut, workers are being laid off, schools are closing, and crime is increasing. We cannot expect these communities to live with this uncertainly any longer.

The problems facing Oregon are not solely revolved around county funding. With the 90 percent decline in timber harvest on public lands since 1990, our forests have become increasingly unhealthy. Without active management, forests have become overgrown, leaving them extremely susceptible not only to catastrophic wildfire but disease like Swiss needle cast and sudden oak death, and insect infestation from bark beetles. These extreme events can and often do result in diminished water quality, habitat loss, and significant harm to other environmental and ecological attributes the forest ecosystem needs to be sustainable. These issues not only threaten the vitality of public lands themselves, but also the surrounding private forest lands, rural communities, and environmental treasures that deserve special protection.

Not only does the decline in timber harvest effect the health of our national forests, but also creates strain on local mills and timber companies. Too many mills have had to face closure due to the dwindling amount of harvest available off public lands. Many small business mills do not own their own forest land and rely solely on public lands to purchase timber to keep their mill operating. Jobs in the woods are few and far between, adding to the unemployment rates in rural American.

While most western states hold significant amounts of public land, the unique Oregon & California Railroad Grant Lands system, commonly known as O&C lands, are only found in my home state of Oregon. These lands have a unique mandate within the O&C Act of 1937 which states that *the timberlands shall be managed for permanent forest production, and the timber thereon shall be sold, cut, and removed in conformity with the principle of sustained yield for the propose of providing a permanent source of timber supply, protecting watersheds, regulating stream flow, and contributing to the economic stability of local communities and industries, and providing recreational facilities.* Fifty percent of revenue generated off of these lands goes directly to county payments, which the O&C counties rely on for their livelihoods.

The problems facing O&C lands, which are under currently under BLM jurisdiction but have been managed more like a National Forest System rather than their original intention, deserve a unique solution, which is what my colleagues Congressman DeFazio and Congressman Walden and I have proposed.

Our proposal has received endorsements from the Oregon State Senate and Oregon State House of Representatives, the Oregon State Sheriffs Association, the League of Oregon Cities, Oregon State Treasurer Ted Wheeler, 15 Oregon Counties, along with Oregon specific and national timber associations. Governor Kitzhaber has expressed support for a sustainable solution which is why he created an O&C Committee comprised of county officials, timber industry representatives, and key members of the conservation community to work together to find common ground and sustainable solutions to the problems our state is facing.

Based on a recent model I asked Governor Kitzhaber's O&C Committee to run, our proposal would only harvest less than **one-half** of what the lands are capable of producing when modeling the harvest using Oregon Forest Practice Act management criteria, which is still **one-third** less than average harvest levels prior to 1990. The bill we have proposed would protect nearly half of the lands for old growth, critical habitat for species, and aquatic protections for fish and drinking water, along with additional protection for Oregon's special places such as the Molalla River in my home district.

Increasing harvest and county funding while protecting environmental quality and special places are not mutually exclusive ideas. While there may be no perfect solution that will satisfy every stakeholders concern, I believe we all can agree that the status quo is no longer acceptable. We must act to ensure our counties are financially stable, our communities are secure, and our schools are productive. We must act to ensure our forests are healthy and managed in sustainable ways so they will be available to current and future generations. We must act to create and bring back jobs that have been lost over the past two decades and to ensure mills have enough timber supply to stay in business.

Thank you again, Mr. Chairman, for the opportunity to testify.

Mr. HASTINGS. Thank you very much for your testimony.

And last I will recognize the gentleman from Idaho, Mr. Labrador, who is the sponsor of H.R. 1294.

STATEMENT OF THE HON. RAÚL R. LABRADOR, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IDAHO

Mr. LABRADOR. Thank you, Mr. Chairman. Thank you, Ranking Member Grijalva, for convening this hearing today. I would like to welcome a distinguished guest that we have from Idaho today who will be on the next panel, Commissioner Skip Brandt, who is testifying at this hearing. Commissioner Brandt has been a critical component to the legislation from its initial inception.

Mr. Chairman, the concept of H.R. 1294, the Self-Sufficient Community Lands Act, was brought to me by a bipartisan group of county commissioners in my State. We worked closely with them to develop this legislation, and I believe it will prove to be a viable solution to the Secure Rural Schools, SRS, program.

In Idaho the economies of rural communities once relied upon the timber industry for job creation and tax revenues. Over the last several decades, radical environmental groups have hindered the ability to develop timber from our public lands. Counties that were once dependent upon timber receipts to fund schools, roads, and daily operations were left desolate and broke. I am pleased to introduce legislation to help counties make up for lost timber revenue and help replace the SRS program.

In a time of record deficits, we must stop providing short-term fixes to our financial woes, and concentrate on a long-term solution. Rural timber communities in Idaho have been operating in an environment of uncertainty for decades. Many public lands have been

inaccessible due to Federal policies and tedious litigation. We must find a long-term solution to empower rural counties and remove the uncertainty these communities are facing by allowing local management of forest lands.

If you compare the stewardship of State lands in Idaho to adjoining Federal lands, the difference is astonishing. This past fire season shows the disparity. In 2012, a record fire year, 20 percent of the national acreage burned was in Idaho. Of the approximately 1.5 million acres burned in Idaho, only 4,674 acres burned on State-managed lands. The remainder was on Federally managed lands.

As we look to the reauthorization of county payments to SRS, the House continues to push for firm management of our public lands as a factor in the equation. I commend the Chairman for his work on this issue, and I look forward to working with you as we advance legislation. Thank you.

[The prepared statement of Mr. Labrador follows:]

Statement of The Honorable. Raúl R. Labrador,
a Representative in Congress from the State of Idaho

Good morning and thank you, Chairman Bishop and Ranking Member Grijalva, for convening this hearing today.

I would like to welcome two distinguished guests from Idaho, Representative Lawrence Denney & Commissioner Skip Brandt who are both testifying at this hearing. Representative Denney sponsored a similar resolution to my bill which successfully passed the Idaho Legislature. Commissioner Brandt has been a critical component to the legislation from its initial inception.

Mr. Chairman, the concept for H.R. 1294 the Self-Sufficient Community Lands Act, was brought to me by a bipartisan group of county commissioners in my state. We worked closely with them to develop this legislation and I believe it will prove to be a viable solution to the Secure Rural Schools (SRS) program.

In Idaho, the economies of rural communities once relied upon the timber industry for job creation and tax revenues. Over the last several decades, radical environmental groups have hindered the ability to develop timber from our public lands. Counties that were once dependent upon timber receipts to fund schools, roads, and daily operations were left desolate and broke.

I am pleased to introduce legislation to help counties make up for lost timber revenue and help replace the Secure Rural Schools (SRS) program. In a time of record deficits, we must stop providing short-term fixes to our financial woes and concentrate on a long-term solution. Rural timber communities in Idaho have been operating in an environment of uncertainty for decades. Many public lands have been inaccessible due to federal policies and tedious litigation. We must find a long-term solution to empower rural counties and remove the uncertainty these communities are facing by allowing local management of federal forests.

If you compare the stewardship of state lands in Idaho to adjoining federal lands, the difference is astonishing. This past fire season shows the disparity. In 2012, a record fire year, twenty percent of the national acreage burned was in Idaho. Of the approximately 1.5 million acres burned in Idaho, only 4,674 acres burned on state managed lands, the remainder was on federally managed lands.

As we look to the reauthorization of county payments *[SRS],* the House continues to push for firm management of our public lands as a factor in the equation.

I commend the Chairman for his work on this issue and I look forward to working with you as we advance legislation.

Thank you.

Mr. HASTINGS. I thank the gentleman for his statement. I want to thank all the Members for their opening statement on this. If there is one thing I have heard from all of the sponsors of the proposed legislation we have today, either directly said or alluded to, was that time for talk has ended, time for action is now. I just want to advise Members that, as Chairman of the Committee, I

certainly want to move legislation because I too believe that the time for action is now.

With that, I am going to deviate just a bit from our schedule and ask Chief Tidwell from the Forest Service to come forward.

He has not submitted testimony on all of the bills, but I think it would be worthwhile, in view of some past events, like the event yesterday of the budget as one issue, for Chief Tidwell to testify.

And so, I would like to welcome you here. You have testified in front of this Committee before, and you know how the rules work.

Your full testimony will be made part of the record. And I would like to keep your oral remarks to 5 minutes. When the green light is going you are doing very well. When the yellow light comes on it means—well, as Chairman Bishop says, it is like going through a red light or traffic light, you speed up before the red light comes on.

So, at any rate, Chief Tidwell, welcome to the Committee, and you are recognized for 5 minutes.

STATEMENT OF TOM TIDWELL, CHIEF, UNITED STATES FOREST SERVICE, U.S. DEPARTMENT OF AGRICULTURE

Mr. TIDWELL. Well, Mr. Chairman, members of the Subcommittee, I want to thank you for the opportunity to be here today to present the views of the Administration regarding H.R. 818, H.R. 1294, and H.R. 1345.

Mr. Chairman, I appreciate the interest from this Subcommittee to help us address the problems, the conditions we have on our national forests. And I agree with many of the goals of the bills being addressed today concerning restoring our forest resiliency to withstand disturbances from wildfire, Bark Beetle, and other disturbances, while reducing the threat of wildfire to communities. However, the Administration opposes all three bills.

Now, we have been clear on the challenge to restore the resiliency and the forest health on over 65 million acres of our national forest, and this is why last year we started our accelerated restoration strategy to increase restoration by 20 percent by 2014, which includes increasing key outputs such as timber harvest to 3 billion board feet, addressing hundreds of miles of stream restoration, and overall improving watershed improvement.

It is essential that we restore and maintain the watershed health that 60 million Americans rely on every year for clean water, to maintain the quality recreation settings that 173 million visitors enjoy every year, and continue the multiple-use benefits from our national forests and grasslands that contribute over 36 billion to our GDP and support over 450,000 jobs.

While my written testimony provides specific comments on the introduced bills, I believe the best opportunity to increase restoration of our national forests is by focusing on the following.

We have identified there are 12 million acres of national forest where we need to use timber harvest to restore the resiliency. We need to maintain the support for our collaborative processes, like the CFLR projects that commit resources to restore over a million acres. I think we have to require public involvement to ensure successful implementation of these projects. We need to be consistent

with the forest plan direction that is based on what the public—how the public wants their national forest managed.

I would ask for your support for the replacement of our appeals process with the objection process that we are implementing that I believe better supports collaboration, provides for more meaningful public involvement, and expedites project decisions.

I want to thank you for your support for reauthorizing stewardship contracting that many of these bills address. Without any question, stewardship contracting can help provide the certainty that the industry needs to justify new investments while creating dependable economic activity that right now supports over 7,000 jobs.

I also appreciate the support for landscape-scale analysis, and Mr. Gosar, for your support for the 4FRI initiative. It is an example where—looking at doing the analysis on over 750,000 acres with 1 EIS.

Another example is what we are doing on the Black Hills, where we are using an adaptive EIS that we just completed to address what we need to do, the work that we need to do on 248,000 acres with just 1 EIS.

The other thing I want to thank you for is your interest to expand the Good Neighbor Authorities, which I believe will help us build more capacity, be able to do more integrated projects along larger landscapes.

And the other thing I want to strongly encourage you to do is to continue the support for multiple-use management of the public's national forests. Now, I fully understand the importance of providing stable, guaranteed county payments. And that is why the Administration supports reauthorization of Secure Rural Schools and the Community Self-Determination Act, that will provide this mandatory funding, especially in this time where we have some of the lowest stumpage values on record. It is essential that I think we be able to continue this to continue to provide the bridge that has been so essential to our communities and our counties.

We are making good progress on accomplishing our restoration goals that are so essential to restore the millions of acres of national forest, to reduce the threat of wildfire to our communities, while maintaining these quality recreation experiences. And I look forward to working with the Committee to support restoration of our national forests and support dependable economic activity that is essential for rural communities.

Again, thank you for the opportunity to testify today, and I will be pleased to answer any questions you have.

[The prepared statement of Mr. Tidwell follows:]

Statement of Thomas Tidwell, Chief, Forest Service, U.S. Department of Agriculture

Mr. Chairman and Members of the Subcommittee, thank you for the opportunity to present the views of the U.S. Department of Agriculture (USDA) regarding H.R. 818, the "Healthy Forest Management and Wildfire Prevention Act of 2013", H.R. 1294, the "Self–Sufficient Community Lands Act", and H.R. 1345 "The Catastrophic Wildfire Prevention Act of 2013".

USDA will not be testifying today on the draft bills "Restoring Healthy Forest for Healthy Communities Act", "O&C Trust, Conservation and Jobs Act", and "Depleting Risk from Insect Infestation, Soil Erosion, and Catastrophic Fire Act of 2013". USDA reserves the right to provide written testimony after the bills are introduced.

The Forest Service agrees with many of the goals of the bills being addressed today. We support protecting forest lands from excessive impacts of wildfire, bark beetle, and other disturbances. Many of the restoration initiatives and programs we are implementing are designed to address these concerns.

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

Our forests are important to all of us, and people understand that forests provide a broad range of values and benefits, including biodiversity, recreation, clean air and water, forest products, erosion control, soil renewal and more. Forests, which cover a third of the country's landmass, store and filter more than half of the nation's water supply and absorb 20 percent of the country's carbon emissions. Our mission of sustaining the health, resilience, and productivity of our nation's forests is critically important to maintaining these values and benefits. Restoring the health and resilience of our forests generates important amenity values. A study by Cassandra Moseley and Max Nielson Pincus has shown that every million dollars spent on activities like stream restoration, hazardous fuels reduction, forestry or road decommissioning generates from 12 to 28 jobs. For example, implementation of projects under the Collaborative Forest Landscape Restoration Program—which relies heavily on stewardship contracting—has created or maintained 1,550 jobs through 2011.

The Forest Service recognizes the need for a strong forest products industry to help accomplish forest restoration work. The best opportunity for reducing the cost of these restoration treatments is through timber harvest and stewardship contracting.

The benefits of maintaining a robust forest products industry flow not only to local communities and the nation but also to the Forest Service itself as the agency relies on local contractors and mills to provide the workforce to undertake a variety of restoration activities. The industry's workforce is larger than either the automotive or chemical industries, currently employing nearly 900,000 workers. Fortunately, recent upturns in the housing market and lumber prices have contributed to higher demand and prices for sawtimber. The capacity exists within current infrastructure to meet this increased demand for lumber through adding extra shifts, reopening mills, and gains in efficiency. The higher demand and prices for timber will enable the Forest Service (FS) to complete more restoration treatments.

Stewardship contracting is a critical tool that allows the Forest Service to more efficiently complete restoration activities. Permanently reauthorizing stewardship contracting and expanding the use of this tool is crucial to our ability to restore landscapes collaboratively at a reduced cost to the government by offsetting the value of the services received with the value of forest products removed. In fiscal year 2012, approximately 25 percent of all timber volume sold on NFS lands was under a stewardship contract. Under the stewardship contracting authorities, the Forest Service has carried out watershed and wildlife habitat improvement projects, invasive species control and removal, road decommissioning, and hazardous fuels reduction activities.

To accomplish more effective vegetation management, the Forest Service is fostering a more efficient National Environmental Planning Act (NEPA) process by focusing on improving agency policy, learning, and technology. These NEPA process improvements will increase decision-making efficiencies and public engagement, resulting in on-the-ground restoration work getting done more quickly and across a larger landscape. In addition to the Forest Planning rule, the agency has initiated a NEPA learning networks project to learn from and share the lessons of successful implementation of efficient NEPA analyses. The goal of this effort is to maintain decision making transparency for the public and ensure that the Agency's NEPA compliance is as efficient, cost-effective, and up-to-date as possible. Specifically we are looking at expanding the use of focused Environmental Assessments (EAs), iterative Environmental Impact Statement documentation (EISs), expanding categories of actions that may be excluded from documentation in an Environmental

Assessment (EA) or an Environmental Impact Statement (EIS), and applying an adaptive management framework to NEPA.

Our landscape-scale NEPA projects will also increase efficiencies. For example, our Mountain Pine Beetle Response Project on the Black Hills National Forest is implementing a landscape-scale adaptive approach for treating current and future pine beetle outbreaks. We are also implementing the Four Forest Restoration Initiative (4FRI) project in the Southwest, as well as other landscape-scale forest restoration projects such as the 5-Mile Bell project in Oregon. The Draft EIS for the first 4FRI area covers about one million acres. All of our efforts are aimed at becoming more proactive and efficient in protecting the nation's natural resources, while providing jobs to the American people.

The National Cohesive Wildland Fire Management Strategy is another important strategy in addressing the nation's wildfire problems by focusing on three key areas: 1) Restore and Maintain Landscapes, 2) Fire Adapted Human Communities, and 3) Response to Fire. This collaborative process has the benefit of active involvement of all levels of government and non-governmental organizations, as well as the public, to seek national, all-lands solutions to wildland fire management issues. We are now moving into Phase III where a tradeoff analysis of national risk will be conducted. We expect one result will be a better understanding of how the Forest Service can play a larger role in restoring and maintaining fire-adapted ecosystems and landscapes within an all-lands context. This understanding should help focus and support efforts for restoring landscapes.

Using these tools, and more, we are working toward accelerating our restoration activities on the ground to restore the functions and processes characteristic of healthy, resilient ecosystems. Our goal is to sustain and restore ecosystems that can deliver all the benefits that Americans want, need, and deserve. Due to changing climate, we may not be able to restore them to their original condition, but we can move directly toward resilience and health directly on the lands we manage, and indirectly through collaboration with others on state and private lands. The Forest Service recognizes that increasing the pace and scale of restoration and active management of the National Forests is critically needed to address these threats to the resiliency of our forests and watersheds and the health, prosperity, and safety of America's forest-dependent communities.

H.R. 818 "Healthy Forest Management and Wildfire Prevention Act"

The Department opposes H.R. 818.

The purpose of H.R. 818 is to address the bark beetle epidemic, drought, deteriorating forest health conditions, and high risk of wildfires on NFS land and public land under the jurisdiction of the Bureau of Land Management in the United States. The bill contains provisions that would:

- Provide a Congressional declaration that the bark beetle epidemic, drought, and deteriorating forest health conditions on NFS lands and public lands are an "imminent threat" within the meaning of section 36 CFR 294.12(b)(1) in effect since 2002. That regulation provided for road construction or reconstruction in an inventoried roadless area upon a determination that "a road is needed to protect public health and safety in cases of an imminent threat of flood, fire, or other catastrophic event that, without intervention, would cause the loss of life or property."
- Allow a Governor to designate high-risk areas of NFS and public lands, outside of Wilderness and National Monuments, to address deteriorating forest conditions and future risks, after consultation with county governments and affected Indian tribes.
- Allow the Secretary of Agriculture or the Secretary of the Interior to designate high-risk areas of NFS and public lands, outside of Wilderness and National Monuments, to address deteriorating forest conditions and future risks after consultation with Governors, county government, and with affected Indian tribes.
- Provide for the use of emergency hazardous fuel reduction projects in areas designated as high-risk.
- Require the Secretary to implement emergency hazardous fuels reduction projects within 60 days of the date the Secretary receives the proposal from the Governor.
- Provide that emergency hazardous fuels reduction projects in designated high-risk areas shall be subject to the expedited procedures in Title I of the Healthy Forest Restoration Act (HFRA) of 2003, including expedited requirements for environmental analysis under NEPA, pre-decisional administrative review, and the application of these expedited procedures to high-risk areas that are outside the Wildland Urban Interface (WUI).

- Establish a categorical exclusion from the requirement to prepare an environmental assessment or an environmental impact statement under NEPA for hazardous fuels projects in high risk areas within 500 feet of utility or telephone infrastructure, campgrounds, roadsides, heritage or recreation sites, schools or other infrastructure.
- Expand Good Neighbor Authority nationally and include the Bureau of Land Management.
- Extend Stewardship Contracting from 2013 to 2017 and increase maximum contract length to 20 years.

Consistent with the purposes of H.R. 818, USDA supports Forest Service efforts to increase the amount of forest restoration work on NFS lands. USDA opposes the enactment of H.R. 818 except for sections 8 and 9, which respectively expand Good Neighbor Authority and reauthorize Stewardship Contracting Authority. For those sections, we support the expansion of the Good Neighbor Authority and reauthorization of stewardship contracting, but have some minor technical suggestions. However, the Department cannot support a bill that would remove the authority vested in the Secretary of Agriculture to manage NFS lands by authorizing Governors to designate high risk areas of NFS lands and propose projects for those areas, and requiring projects to be implemented within 60 days of the date on which the proposal is finalized. Many conditions, including weather, economics, contractual requirements, availability of workforce, and other priorities can influence the timing of a project. We also have concerns with other provisions of H.R. 818 including the effect of the bill on designated roadless areas, as well as the costs of implementing the bill.

H.R. 1294 "Self Sufficient Community Lands Act"

While USDA appreciates the Committee's interest in collaborative management of NFS lands, the Department opposes this legislation.

H.R. 1294 would:

- Require the Secretary of Agriculture to establish community forest demonstration areas comprised of NFS lands at the request of a Board of Trustees appointed by the Governor of the State in which the lands are located.
- Provide for the establishment of a community forest demonstration area if the Secretary determines that the area contains at least 200,000 acres of NFS land and that the State has a law or regulatory structure providing for forest practices applicable to State or privately owned forest land.
- Provide that the Board of Trustees would manage NFS lands that are established as community forest demonstration area in accordance with the bill and applicable State law.
- Provide that Federal laws would apply but only to the extent that laws would apply to State administration and management of forest lands. Treatments, such as timber harvest, would be subject to Federal environmental laws only to the extent that State lands are subject to those laws.
- Provide that receipts from activities would be retained by the Board and be used to fund administration and management of the community forest demonstration area and that any remaining funds would be distributed to counties.

USDA supports efforts to increase the amount of forest restoration work on NFS lands. I, and past Chiefs have testified on numerous occasions that this work is one of our highest priorities. However, USDA opposes this bill because it would remove the authority vested in the Forest Service to manage NFS lands by authorizing a Board of Trustees nominated by the Governor to manage the land and resources of the community forest demonstration areas under laws and regulations applicable to management of State forest lands.

While USDA appreciates the provisions allowing time frames to be extended for public involvement, ultimately we support the right of citizens to be involved in the management of their forests as demonstrated in our new Forest Planning Rule.

USDA appreciates state and local community interest in the management of the National Forests. However, this bill limits the ability of American citizens to participate in an open decision making process and leaves many fundamental questions of responsibility unanswered.

H.R. 1345 "Catastrophic Wildfire Prevention Act of 2013"

The Department opposes H.R. 1345.

USDA supports the purposes of H.R. 1345 to address the risks to forest health, public safety, and wildlife habitat posed by wildfire. In general, we support Title I of the bill, which would reauthorize and amend the Stewardship Contracting Authority and the Good Neighbor Authority. We would like to work with the committee

to address some technical concerns. In addition, we would like to discuss the impact of the requirement of paying 25% of stewardship contracting receipts to counties. Furthermore, changing the requirement to obligate cancellation costs upfront sets up a process different than other contracting activities and could potentially lead to an inability to pay if unobligated funds are inadequate to cover cancellation costs at the time of cancellation. Expanding authorized use of FLAME funds would reduce the amount of funds available for fire suppression. In addition, there are other programs that support burned area rehabilitation activities. We do not support Title II of H.R. 1345, which would provide for an expedited process for carrying out certain projects. Specifically, the Department opposes this bill because it would remove the authority vested in the Secretary, shortchange the environmental review process, cut out public engagement and collaboration, give the agency targets it can't accomplish, and override roadless protections.

Specifically, Title I contains provisions that would:

- Extend the Stewardship Contracting Authority from 2013 to 2023; increase maximum contract length to 20 years; change the funding obligations to cover the cost of the cancelling or terminating a contract; and require that 25 percent of the receipts from a contract or agreement be paid to the county in addition to payments made under PILT.
- Extend the Good Neighbor Authority nationally and authorize the Bureau of Land Management to utilize the authority.
- Amend the purpose of the FLAME Act to provide that FLAME funds shall be available not only for large or complex fire events but also for burn area responses, including flood prevention.

Title II contains provisions that would:

- Require the Secretary to implement eligible wildfire prevention projects in at-risk forests and in threatened and endangered species habitat. Eligible wildfire prevention projects would include livestock grazing and timber harvests.
- Provide that an Environmental Assessment (EA) or an Environmental Impact Statement (EIS) would only need to study, develop, and describe the proposed action and the no action alternative. Without this language, NEPA would require the development of other reasonable alternatives to the proposed action.
- Require completion of an EA within 60 days of commencement of preparation and an EIS within 90 days; projects would be deemed compliant with NEPA if these deadlines were not met.
- Provide that an EA under the bill would be deemed to be sufficient for purposes of NEPA for 10 years if the eligible wildfire prevention project involves livestock grazing and 20 years if the project involves timber harvest.
- Establish a Categorical Exclusion from the requirement to prepare an EA or EIS for certain eligible wildfire prevention projects.
- Require the Secretary to pursue alternative arrangements under the Council on Environmental Quality (CEQ) regulations if the county in which the eligible wildfire prevention project is to be carried out declares an emergency because of wildfire or the threat of wildfire; establish procedures for requesting the alternative arrangements; direct the Secretary to carry out the project without regard to NEPA if CEQ fails to comply with the 15-day deadline for submitting the alternative arrangement; and provide that actions taken would not be subject to notice and comment or judicial review.

In addition, we have concerns the provisions of Title II that provide for timelines for environmental analysis and timelines and requirements for alternative arrangements. More specifically:

- Section 203(a)(1) requires either an EIS or an EA for the proposals, leaving out the possibility for using existing categorical exclusions.
- Section 203(a)(3) sets deadlines that make it impossible to comply with NEPA on most projects and would in effect result in the projects being exempted from NEPA.
- Section 203(a)(4) would deem an EA to be sufficient for 10 or 20 years depending on the type of project and despite the changes that may likely occur within that timeframe that would otherwise trigger the need to update the EA.
- Section 203(f) requires the Secretary to request alternative arrangements with the Council on Environmental Quality and lays out a number of requirements for that request. The request alone would take field resources otherwise committed to the emergency situation when alternative arrangements may not even be necessary. Additionally, given the timeframes imposed by the bill for completing and EA or EIS, alternative arrangements may not be necessary.

SUMMARY

The Department recognizes the important role of the timber industry in maintaining rural communities; particularly in light of the urgent forest restoration needs many areas face with the beetle epidemic and the ongoing needs to reduce the risk of uncharacteristic wildfire effects—especially in the wildland-urban interface. The Department wants to work closely with the Committee on these bills to enhance our ability to get more restoration work done.

This is also why the Forest Service is investing considerable effort in finding ways to maximize the effectiveness of our collaborative management procedures: in streamlining our implementation of NEPA to anticipate the needs of large landscapes and watersheds; in maximizing the use of special authorities such as predecisional administrative review and stewardship contracting; and in exploring ways to make more efficient use of scarce budgets. Collaborative efforts such as these must be fostered and broadened if local communities are to reap increasing benefits from their National Forests.

In summary, the Forest Service continues to work toward accomplishing restoration objectives, providing information, research and quality recreation experiences, all linked to healthy rural communities. I want to thank the Committee for its interest, leadership, and commitment to our national forests and their surrounding communities. I would be pleased to answer any questions you may have.

Mr. HASTINGS. Thank you, Chief Tidwell, for your testimony today. You mentioned a common issue in your testimony about Secure Rural Schools. And my first question—I will recognize myself for 5 minutes for questions.

A few weeks ago I, along with 30 of my colleagues, in a bipartisan manner, sent a letter to Secretary Vilsack and the acting director of OMB regarding the Forest Service's, March 20th letter asking SRS recipients to refund $18 million that was already paid to those counties. Can you explain the legal justification for that action?

Mr. TIDWELL. Mr. Chairman, it is my understanding, after numerous discussions with some of our attorneys, is that, according to the Control Budget Act, that it applies to all the outlays that would occur during this fiscal year. And because even—we make the payments, we try to get them out in December, this year we got them out in January—because they were made during this fiscal year, that that sequester bill applies to those payments.

I regret that we had to send that letter out. The one thing that we did do is offer to the counties that do have Title 2 funding to give them the option to use Title 2 funding so there wouldn't be any impact on the schools and roads programs. I regret having to do that. I wish there was another way around it. And I tell you, I pursued every avenue I could find to be able to find a different solution. But with that——

Mr. HASTINGS. Well, I am not sure I totally agree with your response. And, by the way, for the record, I have yet to receive a response from Secretary Vilsack. If you have any influence on the Secretary, tell him in a public hearing I asked you to ask him to respond in writing why he did exactly what he did.

I just find it absolutely ironic, when we hear testimony from Members that represent counties that receive these payments, and the hardships they are facing, this to me is a classic example of this Administration trying to illicit as much hardship on something that they proposed 2 years ago, namely the sequestration. I mean you knew it was coming.

So, I guess my message is you will carry a message back to the Secretary saying I would like to have a response in a timely manner. If you would do that.

One other issue. The budget came out yesterday, and obviously we are going through that budget. In looking at the budget, we see that there is virtually, on every line item, on virtually every line item, multiple-use management was reduced in the proposed budget. And yet, the land acquisition part was increased by 10 percent.

Now, when you have a huge backlog in management of our lands, how—I guess explain that. Explain the multiple use part of it, which is part of what management is all about, was decreased virtually across the board, and acquisition was increased. Explain that.

Mr. TIDWELL. Well, Mr. Chairman, I wish that we could have asked for a higher amount of funding. But everyone in this room is aware of the——

Mr. HASTINGS. Well, no. You asked for a higher amount of funding in land acquisition. When we are talking here—and it is well know, it is well recognized that the active management of forest lands are not adequate, and yet that is all cut. Why would you put an emphasis on more acquisition and less on management is what my question really is.

Mr. TIDWELL. OK. The request, the budget request for land acquisition, is based on what we hear from the public. In almost every one of these cases, by acquiring these key parcels from willing sellers, we actually reduce the cost of administration. It allows us to do more landscape-scale projects, it reduces all the time and expense we have to deal with boundaries.

The other part of why we had to request a lower amount of money in so many of the budget line items you mentioned is that to be able to meet the agreement to have the 10-year average for fire suppression, we had to move $134 million from other programs to put it into our suppression account. That is where we had to make the shifts to be able to continue that agreement that we have for the 10-year average. But those are the reasons why you see the reductions. And the land and water conservation funding request is based on what we are hearing from the public about how important that program is.

Mr. HASTINGS. Well, Chief Tidwell, you based your answer on hearing from the public. Haven't we heard from the public that our forest lands are badly managed, and yet you are cutting them? I mean why would you make a determination that buying more is more important than managing what you have? That is really what the question is.

My time has expired and I will recognize the distinguished Ranking Member, Mr. Grijalva.

Mr. GRIJALVA. Thank you very much, Mr. Chairman.

Chief, many of the bills before the Committee today are based on an assumption. The assumption is that appeals and litigation are an impediment to the Forest Service doing more work on the ground. The solution to this problem, as presented in some of these bills, is to curtail NEPA and the Endangered Species Act protections.

My questions is what percentage of Forest Service projects are appealed and litigated, and the second one, does that figure include projects that are not eligible for the post-decision appeal process, projects that are not subject to appeals because they are carried out under categorical exclusion?

Mr. TIDWELL. With the projects that are subject to appeals, on average there are about 6 percent of those projects appealed. And on average, about 2 percent of our projects are litigated.

I want to stress that reflects the collaborative efforts that are going on across the country to be able to work out agreement on the type of work that needs to be done so we can actually successfully implement that work.

Mr. GRIJALVA. Let me ask you about Mr. Labrador's legislation, H.R. 1294. A basic question, because it is part of the premise of the legislation or rationale. What is the difference between managing national forests and managing State forests?

Mr. TIDWELL. Well, the national forests are managed based on a set of laws that have been passed that reflect, I believe, how the public wants those lands to be managed, and to provide assurances about how they would be managed. The key thing there is with the Multiple-Use Sustained-Yield Act, because one of the things that drives—for us to find that mix of uses, that balance of uses on our national forests that reflect everything that the public would like to see off of those lands.

We are not managed to maximize revenues. Some States definitely have that responsibility to do what they can to generate revenues for school trust lands. And so, that is one of the differences. But it is driven by what we hear from the public and our forest plans. It is what is reflected in the laws that govern these lands. And that is how we try to carry out the management, based on what we believe is how the public wants these lands managed.

Mr. GRIJALVA. OK. And what portion of the national forest land would qualify as commercial forest land if the metric for commercial timber land is land capable of producing 20 cubic feet per year?

Mr. TIDWELL. Congressman, I will have to get back to you with the exact number. We do have that from our plans, and I will have to get back to you.

But there is a significant amount of our national forests that produce that amount of growth every year without any question. It is one of the reasons why we recognize we need to do more work out there. That is why we are moving forward to actually restore more of these lands. And if you look at what is going on in the country today, there is more and more support for us to work through these collaborative processes to actually implement projects.

That is one of the reasons why I put out that accelerated restoration strategy. And it was without any expectation of a budget increase. It was because what we are seeing across the country, where people want to come together, reach agreement on the type of work that we can go forward with, and you are seeing it with these large landscape projects.

I mean we used to spend a lot of time looking at 1,000 acres here, 2,000 acres there. Today we recognize we need to be looking at hundreds of thousands of acres with one analysis to be able then

to move forward, do what needs to be done on that land to be able to restore those forests.

Mr. GRIJALVA. Thank you. Last question. Does the Forest Service support allowing commercial logging in roadless areas or national monuments?

Mr. TIDWELL. No, we do not.

Mr. GRIJALVA. OK.

Mr. TIDWELL. As I mentioned earlier, we have over 12 million acres of roaded national forests, where we know we need to use timber harvest to restore those lands. I will tell you. That is more work than under any scenario we can get accomplished in the foreseeable future. That is what we need to focus on, is to be able to get that done, to be able to move forward, to restore that, to produce the saw timber that can come off of those lands. That is where I feel that we need to continue to be focused on.

Mr. HASTINGS. The time of the gentleman has expired. The Chair recognizes the gentleman from Colorado, Mr. Tipton.

Mr. TIPTON. Thank you, Mr. Chairman. Chief Tidwell, thanks for being here. Would you agree that responsible treatments in our forests reduce fire severity, or mitigate insect infestation?

Mr. TIDWELL. Yes. We have numerous examples—and you have seen them in your State—where, by thinning out these forests, we can reduce the severity of the wildfire, and make it a lot easier for our brave fire fighters to get in there and suppress these fires and keep them from coming into our communities.

Mr. TIPTON. So that responsible treatment is a positive move that we need to be making.

Mr. TIDWELL. Yes.

Mr. TIPTON. Can you tell us how much was spent last year on fire suppression versus mitigation?

Mr. TIDWELL. We spent $1.4 billion last year with fire suppression. I would have to get back to you with the actual number, but it was probably more around—about maybe $600 or $700 million on restoration efforts. But I will get back to you with the accurate number.

Mr. TIPTON. So, effectively, what that is telling us is we have it backwards, given your previous comment. We need to be spending more on the front end, in terms of actually going in, treating these forests, to be able to reduce the threat of fire, to be able to protect our habitats, to be able to protect the species, to be able to protect our watersheds. Is that accurate?

Mr. TIDWELL. It is. And if you look at what has happened over the last 12 to 14 years, you have seen a significant reduction in the number of employees that we have that do the restoration work, that put up the timber sales—in some cases, they are up to almost 49 percent reduction. You have seen the funding go down over 30 percent over the last 10 years. The reason for this is to be able to meet the 10-year average. We have to continue to shift funds from these other key programs to be able to have the funds available for——

Mr. TIPTON. Let's keep that funding in mind for just a moment. But I would like to be able to move to another question I would ask.

We have a pilot project in Southwest Colorado, Pagosa Springs.

Mr. TIDWELL. Yes.

Mr. TIPTON. We have proven that going in and being able to manage these forests and to be able to treat it—we have actually increased ground water, the trees recover to a healthy state within 2 weeks, according to the forester that I visited with. And moving dollars into those areas, you would agree, would be the better thing to do?

Mr. TIDWELL. Yes.

Mr. TIPTON. Great. Now, going back to the budget end of it, following up on Chairman Hastings' question in terms of land acquisition, why would you make the choice, then, to spend more on land acquisition—because I didn't hear the answer to this—saying you heard public comment, when public comment is saying, "Protect our forests, make healthy habitat," and work with that, work with those dollars? Why are the choices not made in that direction?

Mr. TIDWELL. The budget request reflects a balance of all the things that we hear from the public about the different mix of benefits——

Mr. TIPTON. Don't you have a job, though, truly, to manage the forests? If they burn, there is nothing to manage.

Mr. TIDWELL. Well, that is one of the reasons why we have increased our request for suppression, increased our request for preparedness——

Mr. TIPTON. And increased your acquisition. That is really the point.

Mr. TIDWELL. And we have also——

Mr. TIPTON. From a management decision, shouldn't we prioritize, in tough economic times, where those dollars are really going? And rather than asking for more land to manage when we are saying we can't manage the land we currently have, let's apply those dollars to truly manage the forests that we have.

Mr. TIDWELL. Well, our budget request is a balanced approach. It is something we are putting forward for your consideration.

The other thing I would want to point out, we have also increased the request in our integrated resource restoration budget line item that provides the funding to do the restoration work, too.

Mr. TIPTON. And——

Mr. TIDWELL. So, it is a balanced request for your consideration.

Mr. TIPTON. I appreciate that. But I think we are still continuing to go around the issue. Tough economic times, families, businesses are all facing strategic decisions that have to be made. And this doesn't seem to be a good strategic plan, when the evidence that is coming out of the Forest Service itself indicates that we ought to be moving to actually get in, treat these forests, to be able to address the Bark Beetle kill, and to be able to protect these individual areas.

And so, I would really encourage you to revisit that particular portion of what you are doing, in terms of the budget requests, as we move forward.

And on the collaborative process, would you believe it is an important thing to get these county commissioners and our States involved when we are talking about public process?

Mr. TIDWELL. I do. In fact——

Mr. TIPTON. Great.

Mr. TIDWELL [continuing]. Some of our most successful collaboratives are when we have had the county commissioners dedicate, devote their time to be part of those collaborative efforts.

Mr. TIPTON. Great. We will look for your support on H.R. 818, my bill. Thank you.

Mr. HASTINGS. The time of the gentleman has expired. The Chair recognizes the gentleman from Oregon, Mr. DeFazio.

Mr. DEFAZIO. Thank you, Mr. Chairman. Mr. Chairman, I participated in the—I mean, Chief—the passage of HFRA. And as far as I know, it has been implemented with very little controversy, despite the controversy during its adoption.

But given the fact you have that tool, what is the greatest restraint on you conducting forest health fuel reduction projects? Is it environmental law constrains, given the fact you have the HFRA tools, or is it budgetary constrains?

Mr. TIDWELL. Well, it is a capacity issue right now, and that is——

Mr. DEFAZIO. So it is a budgetary constraint. You don't have enough money to do the projects, projects that you could do under the existing laws with no changes, particularly if you used the authority of HFRA. Is that correct?

Mr. TIDWELL. Yes, and that is why we are moving forward to look at ways to be able to expand markets, to be able to create more economic value in this material so that, like with the stewardship contract, we can then use that value to be able to get more work done.

Mr. DEFAZIO. OK. Have you looked at—and I have spoken with previous people in your position and previous Administrations about providing for longer-term contracts, particularly if you are looking at biomass utilization off of these forests. It would probably take longer than 10 years for someone to fully amortize their investment in a biomass facility, but that would also lower your per-acre treatment costs, because they get some value out of what is being removed. Is that correct?

Mr. TIDWELL. Yes, we are interested in looking at the possibility of—if we can get stewardship contracting reauthorized, to be able to look at opportunities to extend that, because of the points you just raised.

Mr. DEFAZIO. OK. And have you heard anything from EPA, we had a little bit of a tussle with them. They started off in a misguided attempt to classify biomass the same as coal. Kind of odd. And now they have pulled back. Have you heard anything about when they are going to put forward a decision on biomass?

Mr. TIDWELL. I have not.

Mr. DEFAZIO. OK. All right. Just one other question. What is the average cost per acre of treatment, manual treatment, as opposed to burning?

Mr. TIDWELL. You know, it depends on——

Mr. DEFAZIO. Terrain and—yes.

Mr. TIDWELL. You know, a range is probably anywhere from $200 to $300 an acre.

Mr. DEFAZIO. Really? That low? Because I saw a study on the Klamath that said it would be $2,000 an acre.

Mr. TIDWELL. Well, you asked for an average.

Mr. DEFAZIO. Yes, OK. All right. Depending upon the terrain and the forest and what has to be removed.

Yesterday we saw the President's budget, and they rhetorically extended the Secure Rural Schools payment. Unfortunately, either there is a misprint or a disconnect, because the table doesn't have a number for extension. It has zero. There is no mention of it in the actual number tables, but there is a rhetorical commitment. Can you straighten that out for me? I mean is the Administration proposing an extension that says they are proposing a 5-year extension, but there are no numbers in the budget?

Mr. TIDWELL. It is my understanding that, yes, we support reauthorization of Secure Rural Schools for a 5-year period.

Mr. DEFAZIO. OK, at an unspecified number with an unspecified revenue source?

Mr. TIDWELL. The only specification, as I understand, we are supportive of mandatory funding for this program, so that the counties do not have to worry about it each year, whether there is going to be funding made available.

Mr. DEFAZIO. OK. We will need a little more clarification about that, because I was very puzzled when I read the budget, and I read the rhetoric, and I said, "That's great," and I looked at the table and I went, "Oops." So we need to get some consistency there.

Thank you, Mr. Chairman.

Mr. HASTINGS. Will the gentleman yield just for a moment? I would just like to make a point. I suppose at some time the argument could be made that our national forest was the basic raw material for coal, but I think that is a bit of a stretch.

The Chair recognizes the gentleman from Florida, Mr. Southerland.

Mr. SOUTHERLAND. Thank you, Mr. Chairman. First of all, I want to just thank you for this hearing today. As someone who has a national forest in their district, this topic is critically important to me. I am amazed that in the Apalachicola National Forest we harvest less than 7 percent. We have small rural counties that are dying.

And, Mr. Tidwell, I want to say thank you for coming to my office and meeting with me. I want to be very clear today. I think you mean well, and I think you are a very nice man. And I feel sorry that you have to step before us today and tote the water for an Administration who just doesn't get it. And so I want to separate you personally from the way I feel right now, because it would be wrong of you to think that my aggravation is directed at you. I don't know what they pay you, but it is not enough.

[Laughter.]

Mr. SOUTHERLAND. OK? To do this job. I mean, you have Secretaries that won't even answer our letters—talk about thumbing their noses at the American people. This is an embarrassment. And I wish that I could take you down to these poor rural counties, real people, real people that are trapped. And, quite honestly, you are the cause. Not you, but this Department is the cause. OK? They don't want to depend on you.

Just a few moments ago you made a statement they want to know that this money is coming—no, no, no. They want to control their future. They want to take ownership. They don't want you to

control their future. Let them work. Get your foot off their neck. It is sinful, what I am seeing.

And the one thing that this hearing has done today is it has shown me that there is agreement on both sides of the aisle on this issue. These people don't want a handout, they want a future. This is sinful, and it is so aggravating to me. And I come in here over and over and over again in the last 2½ years, and you want more. To whom much is given, much is expected. And what these people want is they want to make a bright future for themselves, their children, and their grandchildren. And they are trapped in these rural counties, and they go to bed every night praying that lightning does not strike. Because if it does, what little bit they have is going to be taken away from them.

This is a disgrace in every way. I have questions that I need to ask you. But you know what? Nothing seems more important than bringing the heart of my people to this Committee and letting you know. The questions? They are technical.

This Administration says they care about people. Quit talking about it and show us. Let our people work. They are willing to put calluses on their hands. Let them control their future in a responsible way. And I want you to hear my heart, and I want you to hear the heart of the people that I love, I have been living in this district, our family has been living in our district for 200 years. It is home. Hard-working, God-fearing people. Benevolent, giving, loving. And my heart breaks for them, and it breaks for every district in this country who have people just like our people.

I want to know that you all get it. And again, this is not directed to you. You are a nice man. I am separating you—you are toting the message here. And I have to tell you something, man. I don't know how you do this, but it is not working. It is not working. And that is a statement, that is not a question.

And, Mr. Chairman, I had to get that off my chest and express my heart. And I think that is indicative and a reflection of all of our hearts around the country. Thank you, and I yield back.

Mr. HASTINGS. I thank the gentleman for his——

Mr. TIDWELL. Mr. Chairman, I would like to respond, please.

Mr. HASTINGS. Go ahead.

Mr. TIDWELL. Mr. Southerland, I do hear you, and I understand that. I mean that is where most of our people, our employees, they live in rural America. I understand the challenges. It is one of the things why our folks are working so hard to be able to get more work done. It is one of the reasons why that even without—understanding the need to have a flat or declining budget for a lot of good reasons, we have been able to increase the amount of work that we are getting done. We have been able to increase our efficiencies, reduce our fixed costs. And that over this time, even with declining budgets, we have also reduced the average cost to get a timber sale out at the same time. It is because our employees, I can tell you they care just as much as you do to be able to——

Mr. SOUTHERLAND. Now, Mr. Tidwell, let me ask you this. I know of a company that comes into the national forest to bid on property, and they want to do an assessment, OK? They want to cruise to get a cost. They are not allowed to cruise that timber on a four-

wheeler, because your people say that that is going to damage the forest.

Now, it is on a block of timber that we are going to cut and we are going to have loader skidders and bunchers on there, but they have to walk in order to cruise that timber? Now, I got to tell you. That would just stick in my craw.

Mr. HASTINGS. The time of the gentleman has expired. I feel the passion, but we do have a lot of Members that want to ask questions.

Mr. SOUTHERLAND. Yes, sir. Thank you.

Mr. HASTINGS. The Chair recognizes the gentleman from Nevada, Mr. Horsford.

Mr. HORSFORD. Thank you very much, Mr. Chairman. And to my colleague, as he indicated, many of us on this Committee represent very diverse districts and have degrees of experience with the Forest Service. And, Chief, I want to thank you for being here and for, Mr. Chairman, this legislation, because I think it provides for the opportunity for a lot of these issues to be debated.

I represent a large part of rural Nevada. And our national forest unit, the Humboldt-Toiyabe, is very different from forest units in places like Washington State or Oregon and Idaho. So, I have to ask as it pertains to my district, what is the outcome for counties in Nevada if they are unable to produce sufficient revenue from timber sales because of the uniqueness of our forest compared to others that might be targeted in this legislation?

Mr. TIDWELL. Well, Congressman, in your State and your district, the revenues that are produced off those national forests come from recreation, grazing, and mining. And there is very—a little bit of timber harvest that is driven by the need to be able to restore Sage Grouse habitat, et cetera. But those are not timber-producing forests that you have in your district.

Mr. HORSFORD. And so, what would the effect to the rural counties be if the legislation applies broadly to a county in rural Nevada that wouldn't have the same benefit as a place like Washington State or Oregon and Idaho or others in the country?

Mr. TIDWELL. Well, if you are referring to some of the bills that are being discussed today, it would have little effect in your county with the need to reauthorize, address Secure Rural Schools, that would be able to continue the level of payments, similar to what your counties have received in the past.

Mr. HORSFORD. And that is the KV Fund, correct?

Mr. TIDWELL. Well, it is actually the Secure Rural Schools. The KV Fund is a fund that we use that is part of the receipts from timber sales that we use to be able to do work, any type of work from restoration work to be able to come in and do that type of work. So it is an authority that we have had for many years, part of our timber sale contracts.

Mr. HORSFORD. So, just so I understand, only 25 percent of the revenues under the proposed legislation generated would go to rural counties. Is that correct?

Mr. TIDWELL. Yes, that is under the 25 percent fund that we have been operating under before we had the Secure Rural Schools Act.

Mr. HORSFORD. And then the remaining would go to KV Fund or the Salvage Sale Fund. How much of those proceeds support rural communities?

Mr. TIDWELL. Well, those funds, they support rural communities because they create jobs. Because of the work that needs to be done, it creates jobs. So that is where the support—and also then gets the restoration work done that is on the national forest.

And then there is a portion of the timber receipts that also go back to the treasury.

Mr. HORSFORD. But is it directly allocated to the rural communities, or does it indirectly benefit those communities, I guess is my question.

Mr. TIDWELL. The portion of the receipts that go into the KV Fund, it would be an indirect benefit to the counties. The 25 percent of the funds are what goes back to the States, and they distribute it to the counties.

Mr. HORSFORD. All right. I want to just ask just about the whole outdoor recreation industry, generally. It directly supports about 6 million jobs and contributes over $646 billion annually to the U.S. economy, including about $40 billion to State and local revenues. These businesses also employ a range of skilled workers, including sport and commercial fishermen.

According to the National Forest Service, visitors spending in nearby communities supported over 200,000 jobs. But people do not want to recreate in industrial, clear-cut areas. So how do you reconcile that conflict?

Mr. TIDWELL. Well, we deal with that through our forest planning process, where the public has the opportunity to be able to express their desires about how different parts of the forest need to be managed to be able to find that balance the areas where we need to manage for commercial timber harvest, or where we need to manage more for certain recreational quality settings, so that we can support that full balance of uses out there. And a lot of it is driven by what the public wants, how the public wants their national forest managed.

Mr. HORSFORD. Thank you, Mr. Chairman.

Mr. HASTINGS. The time of the gentleman has expired. The Chair recognizes the gentleman from Oklahoma, Mr. Mullin.

Mr. MULLIN. Mr. Chairman, thank you for this opportunity to sit in here. And, really, I have more of a statement than I do a question. I have already had the displeasure of speaking with the U.S. Forest Service multiple times in Atlanta. And I can tell you every time I hang up the phone I am more frustrated than I was when I picked up the phone. And mainly it is because of their lack of understanding.

If I am understanding it correctly, the U.S. Forest Service was designed to protect our forests for the next generation and preserve it for our kids to enjoy. And instead, what they continue to do is hold our forests hostage. And now they are starting to hold our communities hostage by demanding repayments of the SRS. And our communities are already strangled enough.

In these hard economic times, it seems as though—that the U.S. Forest Service has completely thrown that out the window. And now it is demanding our schools to repay something that they are

already using. The money has already been given to them. They are already using the money, they are depending on the money. Because of the lack of management that the U.S. Forest Service has done with the forests surrounding these communities because of their bad decisions, now they are continuing to hold our schools hostage.

My frustration comes in from the fact that there is no common sense that goes into the U.S. Forest Service. And I know that is a rarity inside Washington, D.C. But as you stated, Mr. Tidwell, the gentlemen working for the U.S. Forest Service live in these communities. Well, if that was true, then they should have a little bit of common sense. And that has completely been washed out.

I went to a park recently in Shady Lane, which is outside of Heavener, Oklahoma, that half the park flooded, half the park flooded once in 50 years. And the U.S. Forest Service has it shut down. And when I went to that park, a convoy of U.S. Forest Service employees showed up. I showed up there with three people, and all of us rode in my truck. A convoy of individuals showed up all driving brand new Ford Explorers. And now they are asking for 10 percent—or more money to acquire 10 percent more forest land which they are not even funding—or they are not even managing properly right now. And now you are asking our schools to repay the money when you guys have mismanaged your money to begin with.

When does it stop? The insanity continues to go farther and farther down the line. And if they continue to hold—if the U.S. Forest Service continues to hold our communities hostage, and they are continuing to hold my kids hostage, my kids' future hostage, and most people's in here's kids hostage, I can tell you it is going to become my mission to expose the U.S. Forest Service at every turn.

If you can't manage it, then give it back to the States. I am so tired, as a land owner myself, having the Federal Government walk on our properties and walk on the lands that generations that I come from—I am Cherokee. I understand how to take care of our lands. We take pride in our lands. And yet we can't even take care of the community we live in because of some people in Atlanta making bad decisions. Common sense does play a part in it. And if Atlanta can't make the decisions, then give those that work in those areas the authority to make common-sense decisions.

Mr. Chairman, I yield back the rest of my time.

Mr. HASTINGS. The gentleman yields back?

Mr. MULLIN. Yes.

Mr. HASTINGS. OK. The gentleman from California, Mr. Huffman.

Mr. HUFFMAN. Thank you, Mr. Chairman. I just have one question. The Chief started to respond to a very passionate series of remarks we heard earlier about the Forest Service and its view toward rural America. I too think you are a nice guy, Chief Tidwell, so I want to give you a chance to finish the remarks that you started before you were interrupted. And I will yield the balance of my time for that purpose.

Mr. TIDWELL. Well, thank you for that. I wanted to also stress besides the U.S. Forest Service, throughout the U.S. Department of Agriculture Secretary Vilsack has made it very clear that the rea-

son we come to work every day is to do everything we can to help rural America. And you will see many of the programs in USDA are focused on that. And specifically with the Forest Service.

When you look at the things that we have been trying to move forward with—and I will just share, Mr. Chairman, I tell you, I have been doing this for 35, 36 years. And I have seen so many different approaches. And where we are today, over the last few years, about being able to embrace these collaborative efforts, to be able to bring people together and reach agreement and then move forward with the type of work that needs to be done on these national forests, this is the first time where I have actually been able to feel good about, yes, we are going to be able to move forward and we are going to be able to do it in a way with understanding the budget situations we are in in this country.

So, we have to find different ways to build capacity to be more efficient. And I will tell you. Through these landscape-scale approaches that we are implementing today, you see that is increasing our efficiencies and that we are moving forward and getting more work done. I wish that we didn't have the softwood markets that we have had to deal with the last few years. Luckily, they are starting to increase. If that increases, it will allow us to be able to have more value from our stewardship contracts, would allow us to get more work done. So there are several things that are lined up for us.

But I think, throughout my career, this is the first time when I felt positive that we can really move forward and address the conditions on our national forests and put people back to work.

There is just no question we need the timber industry. If we lose the timber industry, there is nobody to do the work. And where we have tried to restart that, to re-establish that industry, it is so expensive. So we are focused on doing everything we can. That is why, if you look at our track record over the last 5 or 6 years, we have done everything we could to be able to re-appraise timber sales, to be able to extend timber sale contracts, to make sure we are doing everything we can to keep that industry in place. Those are some of the differences.

It was mentioned earlier about why are national forests managed differently from States. Well, that is one of the things that is different, is our timber sale contract. It is based on sharing the risk with our purchasers. And I understand the States have their contracts. And together it provides a balance, because our purchasers know that they have a much longer period of time. And so they—based on where the market is, they can determine when they need to harvest that timber. That is one of the reasons why we have 4.5 billion board feet under contract today, is because—partly because of the poor market conditions. I am optimistic that we will see a lot more of that harvested this coming year, which will create more jobs, create more revenues, and hopefully allow us to be able to build on these collaborative efforts.

So, thank you for your time.

Mr. HASTINGS. Will the gentleman yield to me?

Mr. HUFFMAN. Yes.

Mr. HASTINGS. Chief Tidwell, you mentioned collaborative efforts. And I recall when I first got here there was a huge collaborative

effort in Northern California called the Quincy Library. And the beauty of that, if I recall, was that it was locally driven. Both sides—and there were some huge differences locally, both sides—they came together and came up with an agreement that was undone by litigation by a national group.

Now, I just make that point because I think what we have to have is some clarification in statute to make sure that agreements like the Quincy one respects the local response, which I think the Quincy library one was.

I thank the gentleman for yielding. I recognize the gentleman from California, Mr. LaMalfa, who has Quincy in his district, as a matter of fact.

Mr. LAMALFA. Yes, sir. Thank you, Mr. Chairman. Thank you for recognizing that, as well. I would associate with some of the comments made by Mr. Southerland here. You are in a tough position here, Mr. Tidwell, but I do appreciate your being here and trying to help us work through this process here.

We did have a good visit recently with some of your personnel in the Quincy area, and so we are working on that as a new Member here, to have this outreach and see what can we accomplish as conditions aren't likely to change a whole lot with politics and all that very soon. We need to be successful.

But I can certainly echo some of the great amount of frustration, not just as members on this panel here, but from our constituents, as well. So when you speak of a balanced approach—and I would really hearken back to one of the worst fire seasons we had in California, North California, back in 2008, where a big source of it was in Trinity County, for example, here, an area I had the opportunity to represent for a couple years in our State Senate and was in its congressional district until it shifted to my colleague from the other side of the aisle, and California has that now.

But those folks were pleading for help, for long-term fire suppression. The Town of Weaverville, for example, practically burned in an area of, say, you know, 12 years ago, and then just a few years later, because nothing had been done with those public lands there to take care of the salvage and the brush and all that other waste that comes after a fire. It comes back through and burns again in 7 years. You can fly over the checkerboard of public versus private land, or even, in some cases, land that is managed by California, and see a dramatic difference post-fire, say 5 to 7 years of basically the private property has been recovered, it has been salvaged, it has been planted back. It is starting to look pretty good again, versus our Federal lands, which are still basically the same mess they were right after that previous fire, due to many reasons.

I wonder. Why aren't we having a much more concerted effort to put aside the nonsense and only have an opportunity to do salvage, do it within that first 6 months or that first year, where there is still value out there, and the people in the private sector can come in and help make that a better situation, instead of the next tinderbox whenever—in just a few short years it may happen again.

So, again, there is no balance out there. The people—this is 2008. I was a Sacramento legislator at the time. And the air that summer was brown all summer long, even 150 miles away from the Trinity County fire. I could point to my colleague. See all that?

That is the poor forest management going on up in my neighborhood there, as well as the people that live there, the air quality. Their kids couldn't go outside even in my neighborhood, which is about 100 miles away, to play and do things in the summer air, like you normally would.

And when it is 10 times the impact in Trinity County, I mean it is just flat unhealthy for all the different types of people there, lower-income folks, Tribes, everybody there that doesn't have a lot of options to move away because the Federal Government is not doing its job.

And it is not going to come from an endless amount of money in the treasury to try and fix this. The Federal Government doesn't have the money to be out managing land. It needs to get the private sector as a partner to go out and help do this under carefully prescribed timber harvest plan measures, which—in California we have a timber harvest plan. I don't think they actually read it, I think they just weigh it compared to other surrounding States. But we have managed to move legislation on that. Again I thank my colleague on helping move that through our State committee. And I think it was on my birthday, I think, even we did one of those.

But we have to do much better with getting the private sector, getting the local people, and having the true balance of the people that have to live and deal with this, rather than somebody thousands of miles away that thinks it is ideal somehow to be advocating for buying more land that can't be managed when we have so much that isn't managed now. It is really the height of insanity that people out here have to live with their poor communities, and the risk of their town burning down, and certainly of the health risk.

So, I guess that is more of a statement, too. But we do want to work with the locals there, and we are going to have that positive dialogue. But we have got to have some real things come from the top down on doing much, much better, getting more sales out there to the private sector that can make this happen. We want timber products, we use wood products in California. Why should they not come from California or from their area of origin, instead of imported from out of the country?

So, this is what we need big help on. And I will be patient for a while, but I might start getting a little more fired up like some of my colleagues here, because it is affecting my people and, really, all Americans. Thank you.

Mr. HASTINGS. The time of the gentleman——

Mr. LAMALFA. I yield back.

Mr. HASTINGS. The time of the gentleman has expired. I recognize the gentleman from Montana, Mr. Daines.

Mr. DAINES. Thank you, Mr. Chairman. And thank you, Chief Tidwell, for coming here today.

I just spent 3,000 miles traveling around the State of Montana, and I represent the second largest congressional district in America, behind Don Young's Alaska.

We used to have 30 saw mills in our State; we are down to 8. I am a fifth-generation Montanan. I grew up in the 1970s and 1980s when we had the beetle kill there. And then I saw our timber harvests on Federal lands drop 90 percent since those times

back in the 1970s and 1980s. There aren't too many saw mills left in my State to visit. But I went and visited most of them over the last 2 weeks, traveling around the State.

Seventy percent of the harvestable timber that we have, looking forward, is on Federal lands in Montana. In fact, I was up—to Congressman Southerland's comments, I was with a family in Northwest Montana, as we are staring at these forests that are burning in the summer time. High unemployment rates, poverty levels, the testimony from the two gentlemen from Oregon was—I could have inserted the word "Montana." I mean that is our story right now in our State. This young couple looked at me and they said, "Steve, we have poverty with a view," as they stare at our timber that they can't harvest.

My son plays high school football. In all my years growing up in Montana we canceled high school football games on Friday night lights because of air quality as we watched the forest burn.

I am encouraged with your statement that you think there is hope in terms of some efforts to address what has been going on, and maybe in your 35 years of experience. But we are running out of logs. Last Friday I was at a saw mill. The only logs they had left they were cutting at this mill were burned logs from a forest fire last summer in Pine Creek that they got off of private land. They could hire 200 people tomorrow if they had the timber.

I grew up in the home construction business. My dad is calling me up—he is still building at 74 years old—saying, "Steve, lumber prices are at an 8-year high. What is going on?"

An elk hunter showed me a picture—I saw it in one of the mills—that had a—you see the section line running through the forest in Montana—it was from last year—of a dead and dying forest on Federal lands, red from the beetle kill, and then a managed forest that was just on the other side on some State land that was healthy and vibrant.

So, as that as background, what are some of the biggest barriers—I mean the biggest barrier to the United States Forest Service to more actively manage our forests in the timber communities?

Mr. TIDWELL. Well, Congressman, first of all, I spent several years in the northern region, lived in Missoula. And you know, I have been to all those mills myself. And I will tell you. The folks there in Montana have been doing a great job to be able to move forward under these restoration principles, and we were making some very good progress up there. And then we did have a situation where we had a lawsuit that we lost, and had to go back and rework some of our projects there, and we are going to be able to move forward with those.

I think the biggest barrier is—once again, is being able to continue this focus of bringing people together. And I know that we got a challenge in your State, and we are committed to be able to address that and continue to move forward. But we also have leaders in Montana, the folks that have stepped up to be able to show a better way.

I think of the Blackfoot Challenge that you probably have heard about, about a group of folks that have come together to be able to show there is a way to be able to move forward and be able to manage timber, be able to graze livestock, and at the same time

take care of grizzly bear, bull trout, whatever else. That is the thing we need to continue to work on.

The thing that—and I appreciate your comment about the—it is encouraging to hear the price of lumber is going up. But we haven't seen that yet ourselves, and that is OK, because we do everything we can to be able to get the work done. And if that means keeping our stumpage values as low as possible, we are going to do that to be able to move forward with it. But those increased markets will help.

Mr. DAINES. Thank you. And I am running out of time. And can I just follow up with a question on that? And I think you were circling one of the issues that I think is very important, and that is litigation from extreme environmental groups that are shutting down timber harvests. And I saw it firsthand with a rule that came down from a judge, they had these small extreme groups that have three or four people that hire an attorney, and they are shutting down the harvest. Ninety percent of the timber sales scheduled in Fiscal Year 2012 east of the Continental Divide are in litigation.

Mr. TIDWELL. Well, we did have an adverse ruling up there in Montana on a timber sale where—but once again, the majority of our projects go forward. The majority of our decisions. There are very few lawsuits, with an understanding that when we do get an adverse ruling it often affects more than just that one project. And that, because of what the judge rules, we then have to address those issues and the next environmental impact statement. So there are additional impacts that go beyond just that one litigation.

The other thing I wanted to point out——

Mr. HASTINGS. The time of the gentleman has expired. We have a number of Members. Maybe the same question will be asked, Chief. I appreciate that.

Mr. Labrador from Idaho.

Mr. LABRADOR. Welcome, Mr. Tidwell. I know that, as an Idahoan, you do care about the forest. But I share the frustration that many of the members of this Committee—and, actually, it looks to be on a bipartisan basis—I share the same frustration everybody has here.

You keep talking about how the Forest Service, and you in particular, are doing everything you can to help rural America, and "We want to help." But it sounds to me like you want to help in a different way than rural America needs your help. You want to send us money. We don't need your money. We need you to get out of the way so we can make our own money. And I think that is what maybe you don't seem to understand, and the people in this Administration don't seem to understand. We don't need government dependence.

See, when I talk to the county commissioners and the residents of these communities, they are sick and tired of waiting for that check to come to their communities, because they know that if they could manage these lands, if they could take care of these lands, they could actually make the money that would make the money that is coming from the Federal Government unnecessary.

So, as an Idahoan, and as a proud Idahoan that I understand you are, can you understand why the people of Idaho are frustrated that we stay—they seem to think that the Federal Government is

just wanting to give a hand out to them, instead of the Federal Government getting out of the way so they can actually make their own future and their own destinies? Can you address that a little bit?

Mr. TIDWELL. Well, Congressman, right in your district there with the Clearwater Collaborative is an example of the difference that we are making by allowing people to come together, including our county commissioners there that have helped provide leadership on that collaborative that is making a difference. There is more work, more restoration, there is more saw timber that has been coming off of that forest over the last couple years because of that.

We understand we need to get more work done. I understand the benefits, the jobs. By supporting reauthorization of Secure Rural Schools, I believe it does provide a bridge in this time, especially with where the market is right now.

Mr. LABRADOR. But SRS was supposed to be a temporary program. And now we are trying to make it a permanent program, and that is what this Administration and, frankly, other Administrations have done in the past.

And I am glad you brought up the Collaborative, because I want to remind this Committee that we had a hearing several weeks ago on forest management. And we talked about my trust proposal and we also talked about the collaborative process. And I support the Clearwater Collaborative process. But in a question that I asked to the Nez Perce tribal chairman, Silas Whitman, I asked him what the collaborative process had actually done for Idaho. And he indicated that we had not yet seen any appreciable revenue result from the collaborative process. You keep touting it, but we haven't seen any appreciable result. And this is not me speaking, this is not even somebody who agrees with me on my policy. He disagreed with my proposal. But he said that he had not seen any appreciable revenue sources.

How can you present, continue to present the collaborative process as the answer, when they are not really helping people on the ground yet? There are no jobs being created because of the collaborative process.

I want to continue with the collaborative model, but clearly we need more. In Idaho—and I know the answer is pretty close to zero, how much we have received. And the national forest system, how much revenue is generated? How much revenue in the national forest system is actually generated from the collaborative process?

Mr. TIDWELL. I don't have the numbers from each of those efforts. I can produce——

Mr. LABRADOR. Well, you keep touting it here as the answer.

Mr. TIDWELL. Well, I can tell you about, overall, on the national forest, there is about $800 million that is generated. A lot of that comes from mineral royalties.

But I want to stress that our focus of our management is to be able to care for the national forests and manage it in a way that the public wants these lands cared for under multiple use. If we had the direction——

Mr. LABRADOR. With all due respect, you keep saying that the public wants this. When you talk to the public on the ground, what public are you talking to? Are you talking to Washington, D.C.? Are you talking to the people of Idaho, to the people of Montana, to the people of California? Because when you talk to the people on the ground, they want to manage their lands, and they want to control their destiny.

Mr. TIDWELL. And that is why I think you are seeing the success out of the Collaborative that for years—for years, we were getting hardly anything done on those forests. Once we were able to bring that group of people together, the local people together they have been able to reach agreement about the type of work that has to be done.

I will get back with you about the shifts and the program outputs that have occurred since we have started that Collaborative, because it is my understanding, especially after being up in that region and being in those communities, that there has been an increase. But if that is not the case, I definitely will get back to you on that.

Mr. LABRADOR. Thank you very much.

Mr. HASTINGS. The time of the gentleman has expired. The gentleman from Colorado, Mr. Lamborn.

Mr. LAMBORN. Thank you, Mr. Chairman, and thank you for holding this important hearing. And, Chief Tidwell, thank you for being here. You are getting a lot of questions, some hard questions, but we appreciate your answering and your being here.

I represent Colorado Springs, and the Waldo Canyon fire was a horrific tragedy last year: 350 houses were destroyed, 2 people died. And I would like to first ask you what lessons learned are there for the Forest Service that would help us, going forward, to either prevent a fire like that happening, or spreading so quickly after it does take effect?

Mr. TIDWELL. Well Congressman, I appreciate your engagement out there during the fire, and then also your continued interest on the restoration of that area.

But the fire we had there is just indicative of the conditions that we have on the landscapes that—our fire seasons are 60 to 70 days longer than what they used to be, we have record temperatures every year, record low relative humidity. So what we are seeing is that when these fires get started, that if we do not suppress them during our initial attack, that they quickly become established and become very large fires. And then it is very difficult to suppress those fires.

What we learned from there is another example of the need to be able to do the restoration, to do the thinning, especially around our communities, so that when a fire like that does burn into a community, it gives us a chance for our firefighters to be successful and be able to stop it.

As you saw with that fire, that was the fire that was actually spotting out in front of itself a ¼ to ½ mile—in some cases over a mile out in front of itself in establishing the fire. Those are the conditions that we have to deal with today. So it is essential that we do everything we can on the national forests adjacent to these communities, and then also on our private lands, to be able to work

with the land owners so that they, too, are doing everything they can.

And then the other thing we always learn is that when the sheriff gives the order for evacuations, we have to help our folks, our communities, understand they need to go. It is just so essential.

So, those are some of the tough lessons that we continue to learn and want to apply in the future.

Mr. LAMBORN. OK, thank you. Now, that brings me to H.R. 818, Scott Tipton's bill. And I see a lot of good in that bill. I know the Forest Service agrees with part of it. But what you don't agree with is maybe the most important part, and that is closer collaboration between Governors and local communities and the Forest Service.

And apparently you object to that part of the bill, and I would just like to ask you why.

Mr. TIDWELL. Well, we are not going to be supportive of legislation that removes the authority vested in the Secretary of Agriculture for management of the national forests. I mean these are national lands.

If there are things that we are not able to get accomplished, that is what I want to focus on, is to be able to move forward with that. I don't want to set up unrealistic timelines that are not going to be possible to be met.

I also don't want to feed the controversy, the conflict, over natural resource management of these national forests. I have dealt with that my entire career. And once again, like I said earlier, this is the first time that I have really felt that there is a change in this country about the understanding of the type of work that needs to be done on our national forests. And that is what I want to continue to move forward with.

So, those are some of the reasons that I want to work with the Congressmen on all these bills, to be able to move forward with what I think are some key concepts, and take advantage of this opportunity that I believe that, once and for all, we can reframe the debate around the management of our national forests, and do it in a way that will not only produce more jobs, more revenues, but it will improve the conditions of these lands that so many of our communities depend on.

Mr. LAMBORN. Well, I have to agree with that part of what you are saying. But I was hoping that after the Hayman fire in the early 2000s in Colorado we had learned more about the need for mitigation and thinning. And yet I don't see enough steps being taken to accomplish that.

Mr. TIDWELL. Well, we did learn from those situations, and we have continued to treat millions of acres every year. The challenge that we have is that, as I have already mentioned, and been very clear, there is tens of millions of acres that we need to do some restoration on. And that is why we need to continue to be able to move forward with our accelerated restoration strategy that I think is proving to be able to demonstrate that we can get more work done.

Mr. LAMBORN. OK. Well, thank you for being here. I will continue to want to work with you as much as possible. I do hope that with H.R. 818 we can get more of an agreement on that, going forward. Thank you.

Mr. HASTINGS. The time of the gentleman has expired. The Chair recognizes the gentleman from California, Mr. McClintock.

Mr. MCCLINTOCK. Thank you, Mr. Chairman. My friend, colleague, and neighbor from Northern California said that he was going to be patient with you. That is what I felt 4 years ago. And for 4 years I have been to this dance over and over and over again: smarmy assurances that you are very sympathetic of the situation, you are very cognizant of the economic damage that is being done, and you are going to do everything possible to alleviate that, and nothing happens. A year goes by, we hear the same testimony, and nothing happens. A year goes by, we hear the same testimony, and nothing happens.

Three or 4 years ago I gave a speech on the House floor, just a 5-minute speech, reflecting what I had been hearing from my constituents. I was absolutely stunned that 24 hours after this obscure 5-minute speech on C–SPAN we got over 500 unsolicited emails from around the country saying, "Right on. And by the way, you ought to hear what they are doing to us in our neighborhood."

Your management of the Forest Service, I think, has been just appallingly negligent. A forester years ago told me, "You know, all that excess timber is going to come out of the forest one way or the other. It will either be burned out or it will be carried out. But it will come out of the forest." When we carried that excess timber out, we had healthier forests and a thriving economy.

Since we have seen this management philosophy that I can only describe as benign neglect, we have seen a devastated economy, and we have seen much more frequent and ferocious forest fires, not just because of the damage this policy has done, but because of other highly questionable judgment calls that the Forest Service has made.

Congressman Lamborn mentioned the fires in his area. To that I would add the Reading fire that the Forest Service deliberately allowed to get completely out of control. The local fire authoritiy's absolutely appalled by the terrible judgment being administered under your jurisdiction.

And this itself is part of a much bigger picture of neglect and negligence. We are watching road access close throughout the national forests, mining efforts obstructed, just efforts to open up old mines that can produce some new revenues for these communities. Cattle grazing being forced off the lands, inflated fees that are forcing the abandonment of family cabins that have been held for generations, charging exorbitant new fees or closing down long-established community events upon which many of our small and struggling mountain towns depend for tourism.

I am out of patience. It seems to me that a good first step are the bills that are presented before us today. A far better step would be a fundamental change in the attitude of the Forest Service management from top to bottom and, failing that, a change of the personnel from top to bottom. That will obviously have to wait on a future election.

But I cannot begin to emphasize the enormous economic damage that you have done to these communities. I cannot begin to overemphasize the damage that you have done to our Nation by the policies that you have pursued.

I appreciate all of your assurances, once again, that you are really trying very hard to change these policies. But after 4 years, I don't see it.

I yield back.

Mr. HASTINGS. The gentleman yields back his time. I recognize the gentleman from Arizona, Mr. Gosar.

Dr. GOSAR. Thank you, Mr. Chairman. Chief Tidwell, I really want to tell you thank you so very, very much, because you have been one of the stewards all the way through, trying to help out, mitigate issues of a bureaucracy that is pandemic in its size. I just have to share that with you. You have been there the whole way, and I want to applaud that.

A couple questions. Hopefully we can keep them short in our answers, so we can get to a number of them. I am a science guy, so I set standards and parameters. You know me. And we want to set the bar and see where we have to strive for.

First of all, the authorization of the stewardship contracting tool in my legislation is critical to the future success of the 4FRI in Arizona, correct?

Mr. TIDWELL. Yes.

Dr. GOSAR. So the Department is going to need this to implement the later stage of that project. Is that not true?

Mr. TIDWELL. Yes.

Dr. GOSAR. OK. In your testimony the Department expressed concern about my language pertaining to cancellation cost of the stewardship contracts. Former Arizona Senator Jon Kyl had worked on this issue before he retired, and it is an issue I am hearing a lot about from the industry, the stakeholders, and even some of the Forest Service folks in the field. What can we work together on to fix this problem? And kindly keep it brief.

Mr. TIDWELL. Well, Congressman, I appreciate your interest in helping us with that issue, and it is one of the things we continue to work on.

One of the things right now, we are required to be able to set aside the cost of a cancellation if that is needed. And like with the 10-year contract, we have to set up the full 10——

Dr. GOSAR. Yes.

Mr. TIDWELL. You understand this. So it is one of the things that we need to work on to be able to find the flexibility, so that this does not limit our ability to do the stewardship contracting.

So, this is something—I would like to work with you on some ideas about how we can maybe move forward to address this issue.

Dr. GOSAR. Sounds good. I would also like to touch briefly on the alternative arrangements with the CEQ portion of my bill. We have previously discussed these types of alternative arrangements for a landscape-scale project like 4FRI, which was the motivation for this section.

If the Secretary was given the authority to request a type of alternative arrangement at his discretion, rather than requiring it, do you think this would be helpful and be utilized?

Mr. TIDWELL. Well, we currently have the authority to request alternative arrangements. And in a couple of situations we have over the years. But what I have also found, that even when we do that and we are granted that, we still have to go out and do the

necessary surveys out on the land, do the inventory before we go through with the project. And so, often it doesn't really accelerate it.

I look at a situation that we had following Hurricane Katrina a few years ago. In that region, they moved forward and harvested an additional 300 million board feet, and did all that work in, I think, in less than 12 months without 1 appeal, 1 piece of litigation, by using our current authorities. And that was a situation we looked at. Well, is there a need for these alternative arrangements?

So, that is the thing that—with alternative arrangements, it is a good tool, and it is available for us under certain situations, but it still doesn't eliminate the things that we need to do to make sure that, as we move forward with the project, that it is a good project.

Dr. GOSAR. Well, I am going to pitch you, then, something that may help us. We have been working with Embry-Riddle and Prescott and the unmanned aerials. And we worked with infrared. And I will tell you, it is staggering. Doing aerial photography with an unmanned, you can actually, with infrared, tell if a tree is dying. And it starts building the trust.

So, we can do vast amounts of acreage, decide on templates, we can actually have environmental groups sitting there and actually authorizing this. Some of the things that we have been talking about in the past, where we have a discussion where we need to thin maybe bigger timber, but have to have the sign-off from all the parties. Here is something in real-time that can happen that speeds up the delivery, it actually works, it is scientifically based. And I would hope it would be something you would work with us on and even come out to visit. It is staggering.

Students actually did this. They did a command center. It is pennies on the dollar from what we have done in the past. So the opportunity is there. But we need to speed this up. So I would hope that we could get that done.

The second part is—and you know the urgency. I mean I want to reiterate real carefully the story of Springerville, Arizona. When I came to Arizona 28 years ago, it was a vibrant community. There were cattlemen, there were forests. I mean you cannot tell me in the environmental community we did not take care of that land. I mean it was vibrant. Today, a little over a year-and-a-half after the largest forest fire in Arizona history, we had yet to salvage one log, not one log here. It has got to work. Something has got to change.

And you see the frustration here. And I know you are the messenger. And I've got to tell you, everything that you did over the last 2 years, I want to compliment you, because you have done the lion's share. The problem is the pandemic of the endemic problem of the bureaucracy in between. So I would hope that you would listen, start utilizing some of this authority if you have it, because this forest fire season is going to be an emergency situation.

And you know what? Last, but not least, I said it in my statements. Who won here? When you look at 20 percent of the endangered Spotted Owl's habitat being lost in Arizona alone in the world, who won?

And when we look at the schools, it is about time—I am tired of it. I am tired of the Federal Government paying us off. I want to sue saying, "You know what? I get less than one-half of the money

for schools west of the Mississippi than those in the East." I want to stand up for the schools and the proper management of our forests.

Mr. HASTINGS. The time of the——

Dr. GOSAR. Thank you.

Mr. HASTINGS. The time of the gentleman has expired. The gentleman from Pennsylvania, Mr. Thompson.

Mr. THOMPSON. Well, thank you, Mr. Chairman. I appreciate the opportunity to sit in on this important hearing. Chief, it is good to see you. I enjoyed our relationship working together. I certainly respect your leadership. Also thoroughly respect, though, the issues and difficulties that you have. So I have some specific questions I just want to get to.

One is you talked a lot about public input, and about how that is driven. I have some concerns with the process. Maybe you could help alleviate my concerns in terms of definition of "public." My experience with the Allegheny National Forest, we have folks who are "part of the public input" that live from hundreds to thousands of miles away from the Allegheny National Forest, and all they want to do is to shut it down.

And so, my question for you is pretty straight-forward. Do you prioritize public feedback to honor the original agreements when this land was taken out of the private sector and put into the public sector as national forest, in the input? Is the input of directly impacted local communities more heavily weighted in the public input process?

Mr. TIDWELL. Congressman, there is no weighting going on. We don't prioritize——

Mr. THOMPSON. OK, good. Then why not? Because my predecessors 87 years ago, 88 years ago, the Allegheny National Forest—and I know it is puny compared to some of the ones you have worked at, 517,000 acres compared to out West—but when they sat at the table and there was a public trust of confidence that the Members of Congress then, the local folks working with—that the local communities would always be vibrant and healthy, just as our forests will. Why do we not more heavily weight?

Because what we are talking about here are the negative consequences and impacts on these communities. And that is a part of the original agreement. Why not? And how can we help you with that?

Mr. TIDWELL. Well, Congressman, these are national forests, and everyone has——

Mr. THOMPSON. But those were taken out of local communities. And there was a trust and a document and a confidence with those local communities. OK.

Mr. TIDWELL. Well, I would like to stress, though, that especially through these collaborative—I mean we get comments from people throughout the country. But the comments that we get from folks that are local, understand the situations, it is usually a much more informed comment that actually helps us to be able to move forward, versus a comment from somebody that has never been to your forest.

So there is no priority setting, but it is more about what is the comment that is actually——

Mr. THOMPSON. OK. Well, and let me move on to my next question, but just saying that there needs to be a weighting of priorities. That is a responsibility and a promise that we need to fulfill.

I have to tell you, in my opinion, working in the Fifth District, when it comes to public input, it is the radical environmentalists who are nowhere close to living in the Fifth District that lawyer up. It seems like at least they have more influence in the process than the local folks.

Now, you noted that funding was a problem. And I understand that. But then I am just baffled at this President's budget, which is not just a 10 percent increase in land acquisition, it is a 12 percent increase to the legacy fund, where we are looking at a 15 percent in timber harvesting.

So my question is just pretty simple. Who had influence in that decision, and who made that decision?

Mr. TIDWELL. We submit our request, our budget, and it goes into the Office of Management and Budget.

Mr. THOMPSON. So was that the request that you specifically made to the——

Mr. TIDWELL. I support the——

Mr. THOMPSON [continuing]. To the President?

Mr. TIDWELL [continuing]. President's request.

Mr. THOMPSON. I know you support it, but you just said that you submit—and I appreciate that, because with your experience they should be listening to you. I don't think they are. But I have a lot of respect for you, Chief, starting as a fire fighter, you understand this. You lived in many of these communities. Who influenced that? Was it you? Was that a specific input and recommendation that you made to the President's budget?

Mr. TIDWELL. I support the LWCF, by acquiring those lands we can reduce our administrative costs.

And I wanted to point out that it is a $5 million increase. At the same time, with our integrated resource restoration, we had a much larger increase in our request in that fund to be able to get more work done. So, I think we need to keep this in balance.

Mr. THOMPSON. Well, Chief, I didn't manage forests for 30 years, but I did manage rehab and hospitals. And every time I added an apartment it added overhead costs that were new costs that were incurred. And when you are adding new land, it makes it a challenge.

And I know I don't have time for my third question, but it really had to do with do we have the capacity—I am going to ask, anyway—do you have the capacity to be able to manage these forests in a healthy way? You talked about 12 million acres, so one simple question. The 12 million acres you are going to be able to do. And in your own words, you don't think you will have the resources, the ability to really address that.

How much acreage, total, does the U.S. Forest Service manage?

Mr. TIDWELL. Well, we manage 193 million acres in total. And each year we have been doing close to 4 million acres of restoration work. A lot of that is through the use of fire, but also with mechanical treatment.

The key for us to be able to do more work is to continue to find more efficiencies that we have been able to put in place over the

last few years, and at the same time to be able to make this more economical.

The other thing that we have been working on is our green building initiative. I mean in this country there is an opportunity to be building commercial buildings that go way beyond four stories with wood.

Mr. THOMPSON. Yes, U.S. Forest Labs are doing a great job with that.

Mr. TIDWELL. We have.

Mr. THOMPSON. Thank you, Mr. Chairman.

Mr. HASTINGS. The time of the gentleman has expired. The Chair recognizes the gentleman from Florida, Mr. Garcia.

Mr. GARCIA. I will pass, Mr. Chairman.

Mr. HASTINGS. We have two other Members. This issue obviously has very, very broad interests, and we have two other of our colleagues that are not members of this Committee that have been waiting patiently, and I am going to allow them an opportunity to participate. And the first one will be my colleague from the State of Washington, Mrs. Herrera Beutler.

Ms. HERRERA BEUTLER. Thank you, Mr. Chairman. And I will be brief, because I have a couple points to make. And I am—actually, I sit on the Interior Appropriations Committee, which is where we have met and will continue to meet. But this is of extreme interest to me.

Just over a year ago, the Forest Service released a report entitled, "Increasing the Pace of Restoration and Job Creation in our National Forests," in which the Agency committed to increasing timber sales to 3 billion board feet. The President's budget proposal, which you support and have called "balanced" now several times, reduces that number to 2.38 billion board feet. Isn't this a step backward? And is this your idea of balance?

Mr. TIDWELL. The projection in the timber harvest there is based on the level of funding. Just like—and last year we didn't have the level of funding to accomplish what we did.

Ms. HERRERA BEUTLER. I am going to stop you on that one, because we have had this conversation in Appropriations, where you have asked for more funding for fire suppression, which I support. I am with you on that. You are fighting enormous fires.

But doesn't this beg the question that if—one of the things about the Forest Service that is unique, and over the past 20, 25 years, the Forest Service has supplemented its own budget through timber sales, timber harvest. I guess I would say that one of the areas, if you are talking about budget constraints, harvesting board feet is one of the ways that you bring money into the Forest Service. So why would this be the area you cut back, especially when you have used that number in this hearing? As other Members have brought this up to you, you keep saying "3 billion, 3 billion, 3 billion," when you know yesterday the President cut that number down.

Mr. TIDWELL. Those are based on our projections, based on the current cost for us to put up a timber sale. But based on what we have been able to do in the past, and as we move forward with implementing more efficiencies, I am optimistic that we will be able to exceed that.

The other thing that is factored into that is what happened this year. We had a significant reduction in the funding that was available for this year. The planning for next year's timber sales are done this year. So there is going to be an impact in 2014, based on this year's budget. So that also factors that in.

That being said, we are committed to be able to continue to move forward. But with a reduction, for instance, a reduction in the funds for this year, there is an impact to that. Next year I request—and 2014 is actually an increase——

Ms. HERRERA BEUTLER. Well, I am aware of your budget request.

Mr. TIDWELL [continuing]. In our integrated resource restoration.

Ms. HERRERA BEUTLER. You make those requests, and I believe you will probably be coming back before the Appropriations Committee to make those requests, and I will bring this point up again then. When you harvest more timber, it is not just a benefit to your budget, it is a benefit to the communities, as we have heard here. But it is also a benefit to the environment. That is the one thing that has been completely absent in this conversation.

I don't know how often you have been out to Washington State to the Gifford Pinchot National Forest. But the Northern Spotted Owl, for which we created a lot of these rules and regulations, is actually declining under your current forest policy. Three percent per year. And rather than going and saying, "Why, is there something scientifically we should do to restore this ecosystem," we are doubling down on this horrible forest policy.

So, I guess I would also like to ask you—and this is very important to me—would you be willing to come out and tour some pieces of the Gifford Pinchot in my district?

Mr. TIDWELL. Yes, I would like to do that.

Ms. HERRERA BEUTLER. Great. We will take you up on that.

And one final thing. I think it is really important. You made the comment in response to a couple folks, you said, "If there are things not being accomplished, I want to focus on that." You said, "I don't want to feed the conflict." I would strongly urge you to look at these pieces of legislation and recognize us—the Members on both sides of the aisle are tired of waiting. And it is not just your Administration, we have had problems under every Administration. But you look over the last 15, 20 years, we can't wait any more.

So, we have put these ideas on the table in good faith, and we are going to move forward with them. I would actually urge you, rather than sit down and say, "the Administration blanketly opposes these three pieces of legislation," I would like you to find those things that you support within them and sit down and say that first. And then perhaps as this legislative process moves forward, we can find a place to work together.

Because I, like everyone here, have rural communities that are dying on the vine. And they are dying as they are watching their resources die with them. And it is horrible. It is something this generation of policy-makers, Congress, or the agencies, we are going to carry that burden. And I hope it keeps us up until we fix it.

So, with that, I yield back. Thank you.

Mr. HASTINGS. I thank the gentlelady for her questions and her input on this. I recognize the gentleman from Virginia, Mr. Griffith.

Mr. GRIFFIN. Thank you, Mr. Chairman. I appreciate it. This has been very educational for me to sit in on this Committee, and I do appreciate it. And I know you have to be getting tired. It has been a long morning.

That being said, I do have some concerns a little bit different than some of the others. I learned a lot about the West today. I have concerns because I represent Southwest Virginia and the Allegheny Highlands of that area. I represent 22 counties. I have 17 counties: Allegheny, Bland, Carroll, Craig, Dickenson, Giles, Grayson, Lee, Montgomery, Pulaski, Roanoke, Scott, Smyth, Tazewell, Washington, Wise, and Wythe, that all have national forest lands in them and who are now being requested to have money taken back from the SRS program.

And while we are not looking for a hand-out, I do think there was a deal made. And I don't know about the western lands, but certainly the eastern lands, there was a deal made that they would share in the benefits of preserving our forest, and that means that they have to have the ability to have some reasonable timbering.

When I hear of industries in the area that say they can find the wood products they need but they are going further and further out, and that raises the cost of their product, which then makes their product less competitive, not only in the national market, but in the international market that raises concerns for me.

I am also concerned about the schools in the area, because some of my counties are very small in population. They might have a lot of trees, but they don't have a lot of people. And as a result of that, when you all ask, as a part of the cut-backs that every agency is having to look at, that you take that money out of the schools of a rural county with 4,000 people, that is a serious blow. And one of the letters that I have signed on to has requested that you all give us some legal authority for that. I hope you will respond to that at another time.

But I do hope you recognize these are not just western issues. A lot of these issues are also in the east. And it is difficult. When you hear folks say—because my district also has a section of it that has had its industry based on mining of coal—and then you hear folks say, "Well, you have to transition to something else," well, we can't use our forests and we can't use our minerals, what are we going to transition to? And, as a result of those kinds of attitudes—and it is mostly coal; I don't want to say it is the Forest Service—but Dickenson County that I mentioned before, over the last 30 years, their school-age population has dropped by two-thirds. We are depopulating in eight of my counties. This is not a good thing. Our communities are suffering, and you all can help.

And then I would say that, in listening, I heard you say—and I appreciate the comments of folks that I respect to say that you are trying to solve the problems, and I do appreciate that. But I also heard you say that you all were trying, and that you were working with the communities and so forth. But a lot of my folks, while they have some good people that they are working with, there are a lot of roads being closed down that they are used to hunting.

Remember I said there was this deal that was made initially? Well, it may not be true for most of the country, but my people remember, because their granddaddy took their daddy who took them hunting on the lands that they now can't get to because they are closing down roads.

Now, my folks aren't saying, "Look, we don't recognize you all have a money problem." But one of the things you may want to look at is the fact that I have had people who have told me they will be glad to go out and grade the road if you don't' think it is graded right, or if you all don't think it is proper. And I know you have some liability issues. They would sign waivers. These are good, old-fashioned eastern mountain people. They will get the job done. You give them the ability to do it, they will go out there and make sure that road is open for hunting, I guarantee it. So see if you can work on a program for that to help us, as well.

And then I would have to say to you I am very, very concerned that these communities that need the money from—whether it is from the current program or the historic program doesn't matter. But if we are going to have a county that is maybe 50 or 60 percent national forest lands, we can't just say "Hey, we are taking that money back that we gave you already and we are not going to help you support your schools."

So I hope you will keep all that in mind as you go forward. And I appreciate the fact the Committee Chairman let me be here today, and I yield back.

Mr. HASTINGS. I thank the gentleman for participating, and I thank him for his questions.

Chief Tidwell, maybe you didn't anticipate that you would be here for an hour-and-a-half, but as you can see, there is a great deal of interest in the subject at hand. And there is a great deal of concern about how the Federal Government has managed our national forests. That came out in spades.

And as I made an observation in my remarks, and other Members made an observation in their remarks, particularly those that were sponsors of the bill, the time for talk has ended, the time for action is now.

And to pick up on what Ms. Herrera Beutler said, it would be more advantageous and more beneficial to Americans that live in these counties if we work together, rather than, obviously, saying, "We don't like this or that," stake in the ground, that is it.

So, I hope that you would take that into consideration, because we are going to move forward with legislation, and we obviously want to do it with as much input as we possibly can, because I, too, believe the time for action is here.

So, with that, Chief Tidwell, thank you for coming, and you are excused from the panel. And while Chief Tidwell is leaving, I will like to ask the next panel to come forward: Ray Campbell, who is a commissioner in Okanogan County, Justin Wood from the National Association of Home Builders, Scott Horngren from the American Forest Resource Council, and Judy Morris from Trinity County in California.

I want to, by way of introduction, introduce a colleague, a constituent of mine, Commissioner Ray Campbell from Okanogan County in Washington. A newly elected commissioner, he was elect-

ed last November, but he is a long-time resident of the Methow Valley part of Okanogan County, I know a lot of people don't know where Okanogan County is, but it is the largest county in Washington, and it is a very diverse county. So I very much appreciate your being here.

For purposes of introduction, I want to yield to my colleague from Washington, Mrs. Herrera Beutler, for the purpose of introduction.

Ms. HERRERA BEUTLER. Thank you, Mr. Chairman, and I am really pleased to be joined by someone from my home area. It is my pleasure to introduce Justin Wood. Justin and his father-in-law run a small home-building business in my neck of the woods, just outside of Vancouver. And it is in the shadow of the Gifford Pinchot National Forest in Southwest Washington, which is where Chief Forester Tidwell just said he is going to come out and tour. I am pretty excited.

Justin has been building homes for more than 13 years, and through the tough times, which tells you they know what they are doing. A lot of the folks who kind of popped up in that time who we lost, Justin's family and his business was not one of those. So he knows the industry, and is very familiar with the challenges that are faced within the industry, and is the Vice President of Fish Construction, and a national director of the National Association of Homebuilders. He knows, as well as anybody, the importance of our forests in the everyday life of millions of Americans. I expect he will speak to us today a little bit about housing and the important role it plays in our recovery, and the need for access to these resources that we have at our fingertips.

So, Mr. Wood, welcome, and thank you for making the long trip across the country. I look forward to hearing your testimony.

Thank you, Mr. Chairman.

Mr. HASTINGS. I thank the gentlelady, and I want to recognize the gentleman from California, Mr. Huffman, who also has a constituent that he would like to introduce. Mr. Huffman, you are recognized.

Mr. HUFFMAN. Thank you. I want to thank you, Mr. Chair, and the Ranking Member, for including a witness from Trinity County, and for the courtesy of extending to me the opportunity to introduce her.

Supervisor Judy Morris is with us today from Weaverville in Trinity County. And there is no easy way to get here from Trinity County. So I am especially grateful that she drove many hours to get to an airport and then flew to various places around our country, and eventually to Washington on very short notice to join this panel.

She has represented District 2 on the Trinity County Board of Supervisors since 2009. The Board of Supervisors is important in Trinity County because they have no other local government. They have no incorporated cities. So the county supervisors really have a lot of important work to do.

Trinity is a rural, forested county that is mostly comprised of Federally managed forests. Seventy-six percent of the land is Federal, which means they rely on the relationship with State and

Federal land and resource management agencies in very important ways.

She is also a small businesswoman, as well as a public servant, so she understands that stewardship of our natural resources is critical for local communities. And, as she will tell you, the future of Trinity County and places like it depends on our responsible and sustainable management of these lands. At a time when I think we hear too much pitting of the environment versus the economy, Supervisor Morris is going to talk about collaboration and about a success story, which I believe can be a model to guide our deliberations on these issues.

Weaverville is home to the Weaverville Community Forest, a 13,000-acre territory managed by the U.S. Forest Service and BLM for which Supervisor Morris herself has really been a champion. The Community Forest is showing how the responsible use of our natural resources can be good for the environment, the economy, and local communities.

Thank you, Mr. Chair.

Mr. HASTINGS. I thank the gentleman. And, Mr. Horngren, I feel very badly nobody is making an introduction of you in such a way. But rest assured the quality of your testimony will not be diminished by a lack of special——

Mr. HORNGREN. I appreciate that, Mr. Chairman.

Mr. HASTINGS. For those of you that are here for the first time, first of all, your full statement will be made part of the record. I would ask that you keep your oral remarks within the 5 minutes, and you have the timing lights in front of you, 5 minutes. The first 4 minutes is the green light, and you are doing very well. When the yellow light comes on, it means that you have 1 minute left, and try to wrap up as much as you can. Or, as my colleague, Mr. Bishop says, get through the red light—or the traffic light as quickly as you can before the red light comes on.

So, that is kind of the ground rules. And with that, Mr. Campbell, I recognize you for 5 minutes.

STATEMENT OF THE HON. RAY CAMPBELL, COMMISSIONER, OKANOGAN COUNTY, WASHINGTON

Mr. CAMPBELL. Thank you, Chairman Hastings and members of the Committee.

Mr. HASTINGS. Move the microphone closer to you.

Mr. CAMPBELL. My name is Ray Campbell. I am County Commissioner from Okanogan County, Washington, part of the Okanogan-Wenatchee National Forest. Our county alone has 1.9 million acres of U.S. forest land. I am grateful for this opportunity to share my views on behalf of the national forest counties.

Each of the bills before the Committee today are significant for my county in Washington State. They fundamentally address the failures of the U.S. Forest Service to actively manage our national forests, and they offer real hope to our historic timber-based communities for the first time in a generation.

The Hastings draft, upon which I will focus, specifically proposes to put in place an emphasis on healthy forest management by requiring the timber to be cut in a time certain within identified areas of each national forest, where sustained growth is the most

prolific. If enacted, the Hastings Active Management Forest bill will ensure continuation of our Secure Rural Schools payments until the new reforms are fully implemented, and our rural communities once again receive access to economic opportunity.

I grew up in Okanogan County in an era when the U.S. Forest Service was allowed to manage their national forests in a productive, economically, and environmentally sound manner at which time the revenues generated from the harvesting of their renewable natural resources fully paid for the management of the forests, along with providing the funding, as they were required to, to the States and on down to the counties, which helped in the survival of our local communities here.

The harvesting provided a secure industry for our counties at that time, along with the solid, high-paying jobs there. The mill that is operating in our county right now is the only one there. It is in the upper end of Okanogan County. By the way, Okanogan County is the largest county in the State of Washington. We are a northern tier county, we border Canada. There are four northern tier counties east of the Cascade Mountains. We are all timber-producing counties, encumbered—now I call it encumbered by national forests there.

At one time we had seven saw mills in the State of Washington, excuse me, in Okanogan County, and several small operations, and a variety of logging companies harvesting timber for mills and other employment created by lumber distribution wholesale and resale business. It is safe to say that the past timber-related jobs in Okanogan County numbered into the thousands.

I would like to ask members of the Committee to recognize that this proposed fundamental paradigm shift to restore the health in the economy of our national forests is modeled after a very successful State of Washington Department of Natural Resources management plan. The lands owned by the people of the United States still hold the potential of generating revenue far beyond their current levels, and are capable of reducing the tax burden of all of our citizens, if they are but managed properly. This draft bill will help bring that about. There is no issue more important to our country's public land counties than this one.

In closing, I want to emphasize again the successful track record of the accomplishments achieved by the Washington State Department of Natural Resources, in contrast with the abysmal record of the Federal Government there. The DNR has administrated responsibility for over 2.1 million acres of trust land, and provides for a fiscally responsible continued yield program of sustainable tree harvest.

In 2011, State trust lands yielded a harvest of 560 million board feet of timber, which generated $220 million in revenue. By contrast, national forest lands in Washington yielded 129 million board feet, generating a revenue of only $638,000 on 9.3 million acres. Incredibly, the State produces 500 percent more actual timber revenue on less than one-quarter of the land base held by the U.S. Forest Service.

Thank you for this opportunity to support the community's effort on behalf of our national forest counties. Thank you.

[The prepared statement of Mr. Campbell follows:]

Statement of The Honorable Ray Campbell, Okanogan County Commissioner, Okanogan County, Washington

Good Morning, Chairman Hastings, Subcommittee Chairman Bishop, Ranking members Markey and Grijalva and members of the committee.

My name is Ray Campbell. I am a County Commissioner from Okanogan County, Washington, home of the Okanogan-Wenatchee National Forest. Our county alone has 1.5 million acres of U.S. Forest Service land.

I am grateful to Congressman Hastings for this opportunity to share my views on behalf of National Forest counties.

Each of the bills before the Committee today are significant for my county and for Washington state because they fundamentally address the failures of the U.S. Forest Service to actively manage our National Forests, and offer real hope to our historic timber-based communities for the first time in a generation.

The Hastings draft, upon which I will focus, specifically proposes to put in place an emphasis on healthy forest management by requiring timber to be cut in a time certain within identified areas of each National Forest where sustained timber growth is the most prolific. If enacted, the Hastings Active Forest management bill will assure continuation of our Secure Rural Schools payments until the new reforms are fully implemented and our rural communities once again receive access to economic opportunities.

I would ask members of the Committee to recognize that this proposed fundamental paradigm shift to restore the health and economic vitality of our National Forests is modeled after the very successful state of Washington DNR approach to forest management.

The lands owned by the people of the United States hold the potential of generating revenues far beyond their current levels and are capable of reducing the tax burdens of all of our citizens, if they are but managed properly which this draft bill will help bring about.

There is NO issue more important to our countries' public lands counties than this one.

Let me briefly, in the time allotted, express why along with a few recommendations:

1) The Status Quo is unacceptable; the current trend of increased spending on fire suppression and less spending on management needs to be reversed. 74% of USFS holdings are in serious fire danger. We need to make the commitment to change the management paradigm. If we actively manage the land, the value of the resources will create the revenue to do the job. This will also create revenue for the federal treasury, state & local economies.
2) National Forests are too dense resulting in unhealthy trees, which are susceptible to fire, insect infestation and disease. This threatens communities, fish & wildlife habitat, recreational opportunities, water quality and quantity & air quality.
3) Healthy Forest management will result in our U.S. Forest Service managed lands becoming a beneficial and integral part of our rural economies.
4) Fire damaged landscapes need to be restored. Catastrophic fires emit 40–100 metric tons of pollutants per acre. If left to rot after the fire, emissions are 3 times that amount.
5) We can actively manage our forests or continue to leave them alone. The last 20–30 years has demonstrated leaving them alone is not working.
6) This conflict has been going on too long. We need to set aside conflict and take this opportunity to restore the health of our rural communities and national forests.
7) States, like Washington state, have fiduciary responsibilities to their taxpayers to not only protect the environmental values of state forests but through wise stewardship to generate revenues for the benefit of the schools of the state. It is time the federal government, likewise managed the American taxpayer's land accordingly. I am not saying we need to cut 14 billion board feet (bbft) nationally as we did twenty plus years ago, but last year's 2 (bbft) is woefully low. Surely, there is an achievable middle ground.
8) Americans, living in the rural timber counties of the western states, have come to know that lands owned by the federal government are capable of producing far more revenue to reduce their tax burden from the timber resources on the land than is currently the case. The fact that private and state foresters can conduct timber sales at far less cost than the U.S. Forest Service is no excuse for the professional bean counters at Office of Management and Budget (OMB) or the Congressional Budget office (CBO) to assume that environmentally sound forest management cannot similarly be effi-

ciently accomplished on National Forests. We may simply have to retrain Forest Service employees how to efficiently conduct a sale or absent that, have others with proven track records of efficiency do the job.

9) Buried within the SRS reauthorization signed into law on October 3, 2008 was language which changed the historic statute (U.S.C. 500) how 25% revenues are shared with counties. Specifically the Act changed annual 25% revenue sharing requirements to the annual average of 25 percent of all amounts received for the applicable fiscal year and each of the preceding 6 fiscal years from each national forest. Section 403(b)(1–2) of PL 110–343 should be repealed to ensure increased revenues from future production on NFS lands provide immediate benefit to local governments. Counties nationwide recommend the following language be added to any bill reported out of this Committee:

Excerpt from Section 403(b)(1–2) of PL 110–343

(b) FOREST RECEIPT PAYMENTS TO ELIGIBLE STATES AND COUNTIES.—

(1) ACT OF MAY 23, 1908.—The sixth paragraph under the heading "FOREST SERVICE" in the Act of May 23, 1908 (16 U.S.C. 500) is amended in the first sentence by striking "twenty-five percentum" and all that follows through "shallbe paid" and inserting the following: "an amount equal to the annual average of 25 percent of all amounts received for the applicable fiscal year and each of the preceding 6 fiscal years from each national forest shall be paid".

(2) WEEKS LAW.—Section 13 of the Act of March 1, 1911 (commonly known as the "Weeks Law") (16 U.S.C. 500) is amended in the first sentence by striking "twenty-five percentum" and all that follows through "shall be paid" and inserting the following: "an amount equal to the annual average of 25 percent of all amounts received for the applicable fiscal year and each of the preceding 6 fiscal years from each national forest shall be paid"

10) Counties surrounded by National Forests long for this paradigm shift and are ready to embrace it, but they must have bridge funding through continued SRS payments at 2008 levels, not at ever declining levels, until such time as the National Forests are once again, positively open for active forest management. The Hastings bill and each of the other bills before us today, move us in that direction.

Before closing, I want to emphasize again, the successful track record of accomplishment achieved by the State of Washington's Department of Natural Resources (DNR) and contrast it with the abysmal record of the federal government.

DNR has administrative responsibility over 2.1 million acres of land trusts and provides for a fiscally responsible continued yield program of sustainable tree harvests.

In 2011, state trust lands yielded a harvest of 560 million board feet (MMBF) of timber, which generated $220 million in revenue. By contrast, National Forest lands in Washington state yielded 129 million board feet (MMBF) generating revenue of only $638 thousand on 9.3 million Acres or one fifth of what the state produced on a quarter of the land base.

Incredibly, the state produces 500% more actual timber revenue on less than one quarter of the land base of that held by the U.S. Forest Service.

This comparison is even more striking when you look at the relative dollars generated per board foot; that is $308 per MBF on state land vs. $5.00 per MBF on Forest Service Land.

Most telling of all: The entire U.S. National Forest system consists of 193,000,000 acres and in 2011 produced a paltry $180,000,000 of revenue for taxpayers. This is less that $1 per acre of revenue to the Federal Treasury—when potentially these forests across America could produce thousands of dollars per acre for taxpayers.

Thank you for this opportunity to support this Committee's efforts on behalf of the nation's National Forest counties.

Mr. HASTINGS. Thank you, Commissioner Campbell.

Mr. Wood, you are now recognized for 5 minutes.

STATEMENT OF JUSTIN WOOD, NATIONAL ASSOCIATION OF HOME BUILDERS, FISH CONSTRUCTION, NW, INC.

Mr. WOOD. Chairman Hastings, Chairman Bishop, and Ranking Member Grijalva, and members of the Subcommittee on Public Lands and Environmental Regulation, thank you for this opportunity to testify before you today. And thank you, Congresswomen, Herrera Beutler, for your kind introduction. My name is Justin Wood, and I am Vice President of Construction for Fish Construction, Northwest, based in Portland, Oregon.

Fish Construction is one of the more than 140,000 members of the National Association of Home Builders. Today I will direct my testimony to the relationship between Federal forest management policies and affordable housing.

NAHB research shows lumber and wood products account for 15 percent of the cost of construction for a single-family house. From framing lumber to hardwood floors and kitchen cabinets, to windows, closets, and patios, lumber is a critical component to the residential construction industry.

At Fish Construction, my father-in-law and I build approximately 15 to 25 homes per year, of which over half of our homes are sold to families making less than the median family income. In my career, lumber has always been one of most volatile-priced products. We see wide swings over a short period of time, which has a direct effect on the affordability of our houses. For small home builders like Fish Construction, price volatility can have a dramatic impact on our business, and lead to fewer homes constructed.

The prices of lumber have soared, as the housing recovery has gained momentum in 2012. For example, prices of oriented strand board, an engineered wood product, are up 92 percent. The price of OSB composite was $238 last April. This year it is $483. Framing lumber is also seeing price increases upwards of 28 percent.

The rising cost of materials drives up the cost of construction, which, in turn, drives up the price of a new home. The impact is of particular concern in the affordable housing sector, where relatively small price increases can have an immediate impact on low to moderate-income home buyers. NAHB research shows that, for every $1,000 price increase of a median-priced new home, over 232,000 families can no longer afford that home.

Global demand for lumber has also grown, especially in China. And U.S. exports have doubled in the last 5 years. As the housing industry continues to recover, there will be additional upward pressure on prices, unless additional supply can be brought into the market.

Federal forests supply a mere 2 percent of the wood used by the forest products industry, and it is important for Congress to take a deep look at what barriers the Administration is facing in pursuit of increased harvesting on our Federal lands.

I grew up in Battle Ground, Washington, which is a small, rural, suburban town outside of Vancouver, near the Gifford Pinchot National Forest. My parents' home is in the forest foothills of the Cascade Mountains, just a few miles from the national forest. One observation I can share is that my family and neighbors do a good job of following county recommendations in trying to keep their

canopy of trees and undergrowth as clean as possible from dead and diseased undergrowth to help reduce the risk of fire.

Living where they do, there has always been a real concern that fires can destroy their neighborhood. The nearby Federal forest land is not managed, however, and it is very thick and overgrown with a lot of dead and decayed growth under the canopy. For people back east who do not understand, our Douglas Fir forests are very thick and very little sunlight reaches the ground. The undergrowth tends to get very dry in the summer, and can become fuel for forest fires. It is confusing to residents of the area that we follow these county recommendations, while the policies are not followed in the Federal forests just a few miles away.

I commend the Committee for holding this hearing today to find out what barriers need to be addressed in order for the Administration to start actively managing these forests.

Congress must take a deep look at these issues and determine what actions can be taken in an environmentally friendly way. Specifically, NAHB strongly supports Chairman Hastings' Restoring Healthy Forest for Healthy Communities Act, which requires the National Forest Service to actively manage its commercial timber lands and increase production of timber products into our market. Residential construction has finally turned the corner, and is contributing to, rather than subtracting from, gross domestic product growth, and the improving labor market. Any efforts to ease escalating price pressures, help rebuild the supply chain, and support a continuing housing recovery is smart economic policy.

Thank you again for this opportunity to testify before you today.

[The prepared statement of Mr. Wood follows:]

Statement of Justin Wood, Vice President, Fish Construction NW, Inc., on Behalf of the National Association of Home Builders, on H.R. — (Hastings), "Restoring Healthy Forests for Healthy Communities Act"

Introduction

On behalf of the more than 140,000 members of the National Association of Home Builders (NAHB), I appreciate the opportunity to testify today. My name is Justin Wood, and I am the Vice President of Construction for Fish Construction NW, Inc. in Portland, Oregon.

NAHB represents builders and developers who construct housing ranging from single-family for-sale homes to affordable rental apartments and remodelers. Lumber is a critical component to the residential construction industry, and today, I will direct my testimony to the correlation between federal forest management policies and affordable housing.

Few industries have struggled more during the Great Recession than the home building industry. The decline in home construction has been historic and unprecedented. Single-family housing production peaked in early 2006 at an annual rate of 1.8 million homes, but construction fell to 353,000 per year in early 2009, an 80% decline in activity. A normal year driven by underlying demographics should see 1.4 million single-family homes produced. If home building were operating at a normal level, there would be millions of more jobs in home building and related trades.

The improvement in housing markets over the last year has been a welcome change for the economy. Improvements in home prices and building are widespread, with the NAHB/First American Improving Markets Index now standing at a count of 273 of 361 metropolitan statistical areas. NAHB expects new home sales to average 452,000 for 2013 as more consumers regain the confidence to purchase a home.

Construction activities have positive impacts by creating ongoing beneficial impacts in communities as new home purchasers pay taxes and buy goods and services in the community. For example, NAHB estimates the first-year economic impacts of building 100 typical single family homes include $23.1 million in wage and net business income, $8.9 million in federal, state and local taxes, and 305 jobs.

Residential construction has finally turned the corner and is contributing to, rather than subtracting from, Gross Domestic Product growth and an improving labor market. Any efforts to ease escalating price pressures, help rebuild the supply chain, and support a continuing housing recovery is smart economic policy. For these reasons, NAHB fully supports multi-use forest management practices for national forests and an increase in the supply of federal timber products. Specifically, NAHB strongly supports Chairman Hastings' *Restoring Healthy Forests for Healthy Communities Act,* which requires the U.S. Forest Service to actively manage its commercial timber lands and increase production of timber products into the market.

The Lumber Market and the Housing Industry

At Fish Construction NW, Inc., my father-in-law and I build approximately fifteen to twenty-five homes per year. In my career, lumber has always been one of our most volatile-priced products. We can see wide price swings over a short period of time, which has a direct effect on the affordability of our houses.

NAHB research shows lumber and wood products account for 15% of the cost of construction for a single family house. The prices of these materials have soared as the housing recovery has gained momentum in 2012. For example, prices of oriented strand board, an engineered wood product, are up 92 percent. Framing lumber is also seeing price increases upwards of 28 percent.

The rising cost of inputs drives up the cost of construction, which in turn, drives up the price of a new home. The impact is of particular concern in the affordable housing sector where relatively small price increases can have an immediate impact on low to moderate income home buyers who are more susceptible to being priced out of the market. A 2012 priced-out analysis done by NAHB illustrates the number of households priced out of the market for a median priced new home due to a $1,000 price increase. Nationally, this price difference means that when a median new home price increases from $225,000 to $226,000, 232,447 households can no longer afford that home.

Home builders are generally small business entrepreneurs. 82 percent of home builders build fewer than 25 homes a year, and 60 percent of NAHB's members build fewer than ten homes a year. Many of these small-volume builders and subcontractors do not have the capital to withstand price volatility in the market, and consequently, increases in building material costs lead to fewer homes constructed.

Global demand for lumber has also grown, especially in China, and U.S. exports have doubled in the last five years. Consequently, there will be additional upward pressure on prices as the housing industry recovers unless additional supply can be brought into the market.

According to the American Forest & Paper Association, one-third of the United States, or approximately 751 million acres of land, is forested. Privately owned forests supply 91 percent of the wood harvested in the United States, and U.S. State and tribal forests supply another 6 percent. Federal forests supply a mere 2 percent of the wood used by the forest products industry.

In 2000, Congress passed the *Secure Rural Schools and Community Self-Determination Act,* which was created to provide transition payments to counties while Congress worked to increase timber production. Despite the law's passage, the federal government has failed to implement active forest management plans, and consequently, the federal timber lands have not been managed properly, nor has there been an increase in harvesting on federal lands.

I live in Vancouver, Washington, which is approximately 10 miles from the Gifford Pinchot National Forest. In our wooded rural neighborhood, the county encourages land owners to remove dead and diseased trees, including dead undergrowth, to reduce the risk of forest fires. It is perplexing to the occupants of the area that we follow these recommendations, while the policies are not implemented in the federal forest just a few miles away.

I commend Chairman Hastings for holding this hearing today and taking steps to discover what barriers the Administration is facing in its pursuit of active forest management plans. It is important for Congress to take a deep look at these issues and determine what actions can be taken in an environmentally-friendly way.

NAHB strongly supports Chairman Hastings' *Restoring Healthy Forests for Healthy Communities Act,* which encourages increased production on the federal timber lands, and at the same time, remains mindful of important environmental considerations. This legislation will go a long way toward helping rebuild the supply chain and reviving local mills and timber companies, while also ensuring the continued recovery of the housing industry.

Mr. HASTINGS. Thank you very much, Mr. Wood, for your testimony.

And Mr. Horngren, you are recognized for 5 minutes.

STATEMENT OF SCOTT HORNGREN, STAFF ATTORNEY, AMERICAN FOREST RESOURCE COUNCIL

Mr. HORNGREN. Good afternoon, Mr. Chairman, and members of the Committee. I am Scott Horngren, Staff Attorney and Forester for American Forest Resource Council, and I am also testifying this afternoon on behalf of the Federal Forest Resource Coalition. Collectively, the organizations provide over 350,000 jobs and $19 billion in payroll in 27 States.

We strongly support the Hastings draft's creation of a clear mandate to generate revenue for counties through active management on a distinctly identified land base of commercial forest land. We think this is a long-overdue, desperately needed common-sense approach to be applied to a segment of the public lands. After all, Congress and the President have taken millions of acres of public lands and dedicated them to wilderness, wild and scenic rivers, national monuments, national parks, and national recreation areas. These areas have a clearly defined purpose and are mapped so that everyone understands the management that should or should not occur on these acres.

Identifying lands with a clear mandate to generate revenue through active management would accomplish at least three objectives. First, it would create jobs and provide a source of revenue for the counties. Second, it would create some certainty to provide a timber supply to maintain and recruit infrastructure vital to performing the forest restoration that we have been talking about today. Third, it would help reduce excessive fuel loads and create forest diversity for wildlife.

I would like to particularly address the need for a certain and steady supply of timber and forest revenue to help mills plan investments and counties prepare dependable budgets. Any legislation must address both the analytical burden that represents about 70 percent of the cost of projects, and the never-ending onslaught of litigation.

Among the various bills the Committee is considering, first do no harm. Some of the proposed legislation in the House and the Senate I have reviewed over the last year imposes new layers of analysis or requirements that will actually increase the cost and time needed to prepare projects, and provide new grounds for litigation. The Hastings draft avoids this problem.

Second, legislation needs to recognize that the world has changed since laws like the National Environmental Policy Act and Endangered Species Act were enacted in the late 1960s and 1970s. We are over 40 years removed from the enactment of the National Environmental Policy Act of 1969. We now live in an information age of rapidly changing knowledge, and it makes zero sense to cling to the old paradigm of taking 2 or more years to prepare an EIS for a project where the analysis is obsolete the day the Record of Decision is signed. Environmental analysis cannot be a Ph.D. dissertation, and the bill includes some common-sense provisions, like a page limit and a limit on alternatives, that recognize this. The bill

needs to go further to provide that once a project is approved it doesn't need to be halted as it is being implemented every time a new report or a study is issued.

Third, adopting modern-day efficiencies in response to 40 years of agency experience in implementing these laws is a necessary and perfectly reasonable step. For example, the bill allows the Forest Service to assess whether a project could jeopardize a species, have the Secretary of the Interior and Commerce review that assessment, and, only if they disagreed with the Forest Service assessment of jeopardy, would formal consultation be necessary.

Finally, legislation should require that plaintiffs who challenge agency projects put some skin in the game. The bill doesn't preclude judicial review of forest-reserved projects. In our view, the bill could go further to impose some common-sense limits on lawsuits, such as allowing full judicial review of the forest plans, but limiting challenges to a project that implements a forest plan to the issue of whether the project complies with the plan. But the bill takes a big step in the right direction by requiring a plaintiff to post a bond, allowing the Secretary to recover the reasonable costs and attorney's fees incurred to defend a case if the plaintiff loses.

I appreciate the opportunity to testify before you today.

[The prepared statement of Mr. Horngren follows:]

Statement of Scott Horngren, Staff Attorney, American Forest Resource Council, on the Restoring Healthy Forests for Healthy Communities Act and Other Federal Forest Reform Legislation

Good morning Chairman Hastings, Ranking Member Grijalva, Congressman DeFazio and members of the Subcommittee. For the record my name is Scott Horngren and I am the Staff Attorney for the American Forest Resource Council (AFRC). AFRC is based in Portland, Oregon and represents nearly 60 forest products manufacturers in the states of Washington, Oregon, California, Idaho and Montana. Many of these companies depend heavily on the sale of timber from Forest Service and Bureau of Land Management forests for their survival. I am also here today speaking on behalf of the Federal Forest Resource Coalition (FFRC), a national coalition of forest products companies that rely on federal timber and collectively provide over 350,000 jobs and $19 billion in payroll in 27 states.

I appreciate the opportunity to appear before the Committee in support of legislation to promote active, sustainable forest management and restore the health of our federal forests and rural communities. While my testimony is primarily focused on Chairman Hastings' *"Restoring Healthy Forests for Healthy Communities Act",* there are other concepts within the legislation before the Committee today that are also worthy of mention and support.

I come before you as a forester and attorney with over 25 years of legal experience defending forest management projects from litigation across the West. I have represented industry, county governments, and other municipalities as they have been forced to intervene to help defend federal forest management projects from frequent environmental lawsuits. While I've been pleased to represent my clients in a number of landmark legal victories, I'm afraid the legal and administrative hurdles to implementing common sense forest management projects have become insurmountable in many parts of the country. The resulting paralysis threatens the future of our federal forests and our rural, forested communities.

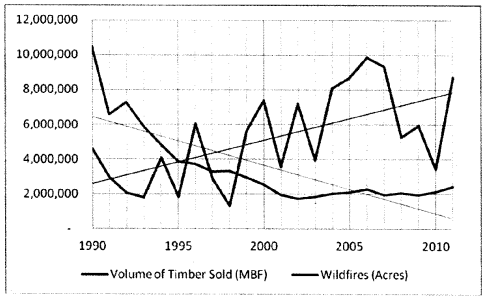
The Health of our Federal Forests Continues to Decline

It has been a decade since the passage of the bi-partisan Healthy Forests Restoration Act (HFRA). While the Act has yielded modest on the ground successes, I think we'd all concede that we haven't reversed the alarming forest health trends threatening our federal forests. In fact, the numbers tell us we are heading in the wrong direction. The sad reality is that 2013 was the sixth year since the passage of HFRA that we burned over 8 million acres (9.3 million acres were burned last year). Meanwhile, last year the federal government spent over $1.9 billion in direct fire suppression costs, with the Forest Service alone spending $1.4 billion. This doesn't even ac-

count for other wildfire related spending, including preparedness, and rehabilitation and restoration of damaged lands.

At least 73 million acres of the National Forest System are at a moderate or severe risk of catastrophic wildfire and the threat is growing. Entire forests are being lost to insect infestations and catastrophic wildfire. The Northern Spotted Owl recovery plan reports that the primary source of habitat loss for that species is catastrophic wildfire. It is hardly surprising, however, as annual forest growth has far exceeded removals (harvest) for many years now. The reality is that there is a direct correlation between the severe reduction in the Forest Service timber sale program over the past 20 years and the ever-increasing acreage toll and fiscal cost of wildfire.

Forest Service Timber Sales vs. Total Acres of Wildfire, Since 1990:



Fortunately, I believe we can take action to reverse these trends, but we must act now to make necessary reforms. Many regions have lost the milling and logging infrastructure needed to restore the health of our federal forests. Other regions are on the brink of losing what remains of their forest products industry infrastructure. Ultimately these forests will only be restored if we provide certainty to the Forest Service, communities and private industry that these projects will be implemented. HFRA simply didn't go far enough to provide this level of certainty, which is essential to attracting investments in industry infrastructure and saving jobs in the woods. Responsible, sustainable forest management can restore the health of our forests and help enhance all the benefits we enjoy, including clean water, wildlife habitat, clean air, and recreation.

Our Rural, Forested Communities Continue to Suffer

Since the early 1990's and the listing of the Northern Spotted Owl county governments and schools in the Pacific Northwest have been receiving subsidized federal payments to replace timber revenue sharing payments. The program was taken nationwide with the passage of the Secure Rural Schools and Community Self-Determination Act of 2000 (SRS). However, these payments only partially masked the illness affecting many rural, forested communities with large swaths of federal forest land. The illness ultimately stems from a lack of private sector employment, not a lack of local government services, as important as those services might be. In my home state of Oregon, unemployment rates in these communities ranges from 10–13%, while the unemployment rate in the Portland metro area stands at 7.5%. These stubbornly high levels of unemployment result in all the predictable social ills, including substance abuse, domestic violence, poverty, and hunger. The same stories can be told in rural, forested communities across the country.

As you well know, national SRS payment levels have been reduced by 40% between 2008 and 2012. The cuts have been more acute in states where timber revenues used to be the highest. For example, counties in Washington State have seen payments decline by 53% since 2008. Many politicians have spent the better part of two decades championing these empty, dwindling federal payments as proof of their "commitment" to the communities surrounded by our federal forests. These handouts fall far short of the contract that was made to neighboring communities when the federal forest reserves were established. Gifford Pinchot, who often articulated the responsibility the Forest Service had to neighboring communities, would be embarrassed by what is now taking place in our National Forests and in these rural, forested communities. Now that these payments have again expired we have a chance to develop real solutions to meet the needs of our rural communities.

As this Committee has explored in past hearings a number of states rely on sustainable timber management to generate substantial revenue for schools and other

trust beneficiaries. The price received for state timber greatly exceeds the price received by the Forest Service because the states often have a clearer mandate for active forest management and their planning and project implementation costs are significantly lower. The Washington Department of Natural Resources is the best example and has consistently produced over $125 million for beneficiaries annually while still providing habitat for listed species, clean water, and recreational opportunities. The DNR's level of return is over ten times the return from the national forests in Washington which have millions of more productive forest acres that currently receive little management. There is no reason a modest portion of the National Forests couldn't be managed to yield similar results since there is often no fundamental difference between the actual forests being managed.

Our domestic forest products industry is well positioned to help improve the health of our federal forests, create tens of thousands of new family wage jobs, and generate critical revenue for counties and the U.S. Treasury *if* current constraints on log supplies are relieved. The greatest constraint on most mills in the West is the lack of timber being offered by the Forest Service, which in many areas is the dominant land owner. Mills in these areas are often operating at 40–60% of capacity due to a lack of log supply, which puts them at a competitive disadvantage. Many mills would put on new shifts if they could secure additional supplies of logs. Many AFRC member companies currently struggle to survive by sourcing their raw materials from a 250 mile working circle while they watch their neighboring national forests die and burn due to a lack of management. It shouldn't be this way.

Meanwhile, lumber prices are currently over $400/thousand board feet and nearly double the prices experienced in 2009. Experts are projecting that the lumber market will only get hotter as housing starts are expected to see significant increases between now and 2017. Those same experts predict that this demand will outstrip North American supply by 2015, which would result in increased lumber imports from Europe unless we increase domestic production. It is hard to believe that we would watch as our federal forests burn, our rural communities wither away and lumber is imported from overseas when we have the opportunity to meet the needs of all through active, sustainable forest management.

I respectfully offer the following recommendations for your consideration. Many of them are reflected in the legislation before the Committee today.

1. Designate an adequate and appropriate land base with a clear objective and mandate for active, sustainable timber management.

Managing a portion of the National Forests with a clear mandate to generate revenue for counties and jobs for local communities will help fulfill the promise that was made to our rural communities over a hundred years ago. It would also create more certainty in regards to timber supply, which is critical to maintaining and recruiting the forest products industry infrastructure needed to perform the restoration work required on the rest of the forest. Active forest management will also help reduce fuel loading, create strategic fuel breaks and create more diversity of wildlife habitat.

It is critically important that these areas be clearly identified and mapped so that the Forest Service, local communities, potential litigants and the courts understand that they are distinct and have a specific purpose. In many cases these areas will have existing roads and will have been harvested in the past. It makes good economic and ecological sense to focus ongoing, active timber management in these areas. I also believe that many other uses of the forest, including outdoor recreation and hunting, will continue to be enjoyed in these areas and would likely see improved access and opportunity.

2. Provide additional certainty to county governments, local communities and industry by making modest legislative reforms to address the analysis and legal paralysis crippling the management of our federal forests.

The legal and administrative hurdles to implementing sustainable timber management grow each and every year. It has become so complicated that 60–70% of the Forest Service's forest management budget is being spent on never ending analysis (i.e., paperwork) with little chance of mastering the legal gotcha game played by many litigants. Unless we reduce the amount of money the agency spends on analysis and process we will never restore the health of our federal forests or meet the needs of local communities. With the budget pressures currently facing the entire federal government, including the Forest Service, it is critical to creatively leverage the environmental analysis budget to go further.

The Congress can and should make modest reforms to how these requirements are being implemented. In previous hearings this Committee has identified many

areas where our federal environmental laws, all well-intentioned, are working and where they aren't. Despite the inevitable sky is falling claims to the contrary, it is incumbent on legislators and a natural progression of the legislative process that the implementation of laws will be adjusted and tweaked when, in time, their interpretation or everyday use become skewed. Such is the case with the current interpretations, abuses of litigation, and needless delays around the implementation of forest management projects under the National Environmental Policy Act (NEPA) and the Endangered Species Act (ESA).

We can reform the most frequently abused gotcha games focused purely on process without weakening the substantive legal requirements for projects. This is accomplished in the legislation through the establishment of reasonable limits on the amount of analysis required to implement a project in a Forest Reserve Revenue Area. It also makes good sense to place reasonable time limits on agency consultations that can frequently stymie projects for years for no good reason. Finally, action should be taken to level the legal playing field for these projects by requiring litigants to post a bond equal to the taxpayer's cost of defending the project in court.

The reforms included in the legislation are critical to provide additional certainty to local communities that forest management projects will actually be implemented while also maintaining our commitment to environmental analysis and species protection. Sound projects in designated areas should not be subject to years of planning, appeals and endless litigation over even the smallest of points.

3. Identify and accelerate forest restoration treatments in critical areas where insects, disease, and hazardous fuel accumulation threaten entire forests and ecosystems.

In forest stands outside of those areas designated for active, sustainable timber management, a narrower set of new authorities should be provided to the Forest Service to reduce the costs of implementing forest restoration projects. H.R. 818 seeks to do this by expanding the use of HFRA authorities beyond their current limited geographic scope. The House version of the Farm Bill last year also included a Categorical Exclusion for forests experiencing severe and emerging forest health challenges. As the health of our forests continues to decline it is clear we must take meaningful steps to increase the pace of forest health treatments.

4. Explore alternative approaches for managing some federal forests, including through the application of trust mechanisms and state forest management.

This Committee has clearly shown that state natural resource and forestry agencies are capably managing state forest lands for the multitude of benefits we've come to expect from our public forests. This experience can be brought to bear to help restore the health of our national forests, whether that is through a trust proposal similar to that found in H.R. 1294 or an expanded Good Neighbor Authority in other areas.

The DeFazio-Walden-Schrader proposal for Bureau of Land Management (BLM) O&C forests in western Oregon also deserves your strong support. The Oregon and California (O&C) Grant Lands have a unique history having once been in private hands before being brought back under federal ownership. The O&C Act of 1937 directs that the over 2 million acres of these largely checkerboard forests be managed with timber production as the dominant use. This dominant use mandate was intended to provide revenue to local counties and raw materials to local industries through sustained yield timber management.

Despite this very clear legislative mandate and the fact that these forests grow over 1.5 billion board feet of timber each year, timber harvests on these forests have ground to a near halt. Actual timber harvest levels on these lands have fallen from approximately 1.1 billion board feet to less than 150 million board feet annually today. Administrative protests, litigation, and agency inaction have contributed to these severe reductions, which threaten county governments with bankruptcy and many of the remaining mills with permanent closure. Meanwhile, Secure Rural School payments to the O&C Counties, which are unique in that they help fund general government operations, have fallen from over $115 million in 2007 to roughly $36 million in 2012. Prisoners are being released from county jails early due to budget cuts. Sheriff patrols have been cut to the point that law enforcement is nonexistent in many areas. Desperation is setting in.

The O&C legislation would put 1.5 million acres of the O&C lands into a public trust to be managed for sustained yield timber harvests to finally provide certainty to local communities. When enacted, the proposal is expected to annually generate over $100 million for county governments, over 500 million board feet of timber and thousands of new jobs in hard-hit counties throughout western Oregon. It has gar-

nered significant support across Oregon, including from the Oregon Legislature, dozens of Oregon counties and many newspaper editorial boards. It also enjoys the support of our industry.

Mr. Chairman, I appreciate the opportunity to appear before you today and would be happy to answer any questions from the Committee.

Response to Questions Submitted for the Record by Scott Horngren

1. How many times has AFRC sued the federal government under the Endangered Species Act in the last decade?

Answer: 4

2. Roughly how many lawsuits you've filed against the federal government over the last 10 years?

Answer: 10

3. How many active cases does AFRC have with claims under the Endangered Species Act?

Answer: 4

4. Has AFRC requested to be compensated from the Judgment Fund—i.e. from the taxpayers—for work that you performed while suing the federal government?

Answer: Yes

5. How many times has AFRC requested attorneys' fees under the Equal Access to Justice Act or the Endangered Species Act over the last 5 years?

Answer: We have recovered attorneys' fees for only one case in the past five years. In every case in which AFRC is a plaintiff, AFRC like other plaintiffs, plead in the complaint that it is entitled to attorney fees. Only if AFRC prevails in a case can it apply for recovery of attorneys' fees.

6. How much has AFRC recovered under these provisions in the last 5 years?

Answer: $5,000

First, how many of these Endangered Species Act suits also involved claims under the National Environmental Policy Act and the Administrative Procedures Act? As a result, the legal documents I have here show that AFRC has frequently made claims for attorneys' fees under both the Endangered Species Act and the Equal Access to Justice Act.

Answer: See response to Question 5 regarding "claim for attorneys' fees" which is included in any complaint filed. Of the four Endangered Species Act cases, one has made claims under the ESA, NEPA and APA. Three have made claims under ESA and APA. AFRC's recovery of attorney's fees for ESA cases is only a fraction of the attorneys' fees paid out under the ESA, mostly to environmental plaintiffs. For example, from 2003 through 2011, about $30,000,000 dollars of attorneys' fees were paid by the federal government in ESA cases. A summary is attached with a file that breaks down the payments by year. AFRC would happily support legislation that would eliminate the provision in ESA for recovery of attorney fees.

7. Unfortunately, many of these fees appear to be secret and hidden from the public. Can you tell us how much in attorneys' fees you received from one such case American Forest Resource Council versus the Secretary of Interior, which was initiated back in March 2000 and was concluded in 2007.

Answer: $80,943.89. The recovery was a combined total recovery for two cases, the second of which is the Western Council of Industrial Workers v. Interior discussed below. (This is the same case that you ask about in Question 10).

8. How much did you receive in attorneys' fees in that case?

Answer: $80,943.89. This was a combined amount for attorneys' fees in AFRC v. Sec. of Interior and Western Council of Industrial Workers v. Interior.

9. How much did you initially request in attorneys' fees?

Answer: We don't have a record of the initial fee request because fees were negotiated before a formal filing had to be made before the court.

10. I want to ask you about one other case in which you sued for attorneys' fees, Western Council Industrial Workers v. Interior.

According to this stipulation, the plaintiffs received $80,943.89 collectively in attorneys' fees and only your organization alone among the plaintiffs requested attorneys' fees.

Can you tell us how much you initially sought in attorneys' fees in this case? Was it over $150,000?

Answer: We don't have a record of the initial fee request because fees were negotiated before a formal filing had to be made before the court. However, the initial fee request would likely have been greater than the $80,943.89 settlement amount.

11. You make the claim in your testimony that "there is a direct correlation between the severe reduction in the Forest Service timber sale program over the past 20 years and the ever increasing acreage toll and fiscal cost of wildfires." In Latin the phrase is, cum hoc ergo propter hoc—with this, therefore because of this. Are you also making the claim that there is a casual relationship?

Answer: AFRC does maintain that there is a correlation between the excessive fuel loads accumulating on national forests from reduced timber harvest and the increase in wildfires on the national forests. As a GAO report concluded, "The most extensive and serious problem related to health of national forests in the interior West is the over-accumulation of vegetation, which has caused an increasing number of large, intense, uncontrollable and catastrophically destructive wildfires." General Accounting Office. 1999. Western national forests: A cohesive strategy is needed to address catastrophic wildfire threats. GAO/RCED–99–65, p. 3. A U.S. Forest Service white paper on the same subject similarly concluded, "Heavy fuel accumulation and altered vegetation composition along with sustained drought have increased fire intensity, spread, and resistance to control, particularly in the West." Fire and Fuels Buildup at p.1, available at http://www.fs.fed.us/publications/policy-analysis/fire-and-fuels-position-paper.pdf which is submitted as an attachment.

Judgment Fund Payments
for Attorney's Fees under the Endangerd Species Act

Fiscal Year	Total	Payments	Average per Payment
2003	$2,150,130.39	39	$55,131.55
2004	$2,169,488.11	41	$52,914.34
2005	$925,494.92	22	$42,067.95
2006	$1,963,633.75	27	$72,727.18
2007	$2,063,830.40	24	$85,992.93
2008	$911,309.03	15	$60,753.94
2009	$6,601,903.47	36	$183,386.21
2010	$7,022,870.21	43	$163,322.56
2011	$6,206,050.55	22	$282,093.21
Total	$30,014,710.83	269	$111,578.85
Yearly Average	$3,334,967.87		
3-Year Span Yearly Average			
2003-2005	$1,311,278.36		
2006-2008	$1,646,257.73		
2009-2011	$6,610,274.74		

Underlying data provided by the U.S. Department of the Treasury, retrieved from https://jfund.fms.treas.gov/jfradSearchWeb/ on September 18, 2012.

Compiled by Budd-Falen Law Offices, LLC.

Fire and Fuels Buildup

What is the fire and fuels problem?

Recent history has seen an increasing trend of record-breaking wildfires on public forests and grasslands. In 2002, wildfires burned 7.2 million acres in seven Western states, 23 firefighters died, and 815 structures were damaged. That year, the USDA Forest Service, Bureau of Land Management, and other federal and state agencies spent more than $1 billion for fire suppression. Average fire suppression costs during the 1990s were about one-half that figure.

Why so many large fires? "The most extensive and serious problem related to health of national forests in the interior West is the over-accumulation of vegetation, which has caused an increasing number of large, intense, uncontrollable and catastrophically destructive wildfires," according to the General Accounting Office (1999). During the past 10,000–15,000 years, North American forests have evolved under the influence of humans and natural fire.(USDA Forest Service 2003) Indigenous people harvested timber and used fire for thinning and land clearing to meet their needs for shelter, hunting, gathering, and protecting their communities. In the arid West, where moisture is too scarce to support fungal decay, fire is the primary mechanism for removing dead trees and limbs from the forest floor. Climate factors and widespread wildfire suppression efforts, which became effective after World War II, have contributed to overgrown conditions over the past 75 years. Many forests now require hands-on active management to restore fire-adapted ecosystems (Sebellius and Rosen, 2003).

All vegetation—live and dead—on forested lands (tree branches, twigs, cones, snags, moss, and tall brush) serves as fuel for fires. Heavy fuel accumulation and altered vegetation composition along with sustained drought have increased fire intensity, spread, and resistance to control, particularly in the West. The problem is compounded by urban sprawl and conversion of large ranches to small ranchettes and urban subdivisions that are adjacent to or intermingled with public lands. This results in more homes and structures near areas where large wildland fires occur. As a result, firefighters who are trained for wildland fire suppression must focus more effort protecting homes and human lives.

An estimated 190 million acres (Schmidt and others 2002) of all federal forest and range lands (including BLM, National Forest, National Park and National Wildlife Refuges) are at increased risk of catastrophic wildfire. These acres are in a condition class described as "significantly altered from the normal range," which is the most severe of three fire-hazard classes. The other two classes are lands within "historic range" and at "moderate risk" for wildland fire. National efforts to map fire risk have determined that about two-thirds of National Forest System lands are in the two categories outside of their historic range (USDA Forest Service 2000). Many millions of acres of state-managed and privately owned lands adjacent to public lands are also at high or moderate risk of fire.

The areas that are called moderate to high risk are prone to large intense fires that overwhelm suppression efforts. These large areas are in danger of losing key ecosystem components. For example, losing large areas of open-fire dependent Western ponderosa pines, along with associated plants and wildlife, is a distinct possibility.

Remaining lands have a lower risk of wildfire damage but may require periodic treatment of fuels to maintain this status. This is particularly true in the Southeast, where historic fire return intervals are as short as 3–5 years. Effective fuel treatment will require some mix of treating different land classes as forest and range ecosystems change over time.

What can we do about it?

Some 73 million national forest acres and 397 million acres across all ownerships have been identified as high-priority treatment areas (USDA Forest Service 2000). The Forest Service's "Cohesive Strategy" for addressing fire-adapted ecosystems outlined an approach to the fuels management challenge. One option is a 15-year treatment schedule that includes fuels treatments of 4.2 million acres per year. Some treatments would be made on lands in all three conditions classes. The strategy would not attempt to treat all acres at risk. Research shows that by strategically placing fuel treatments to impede fire spread, only 30 to 40 percent of lands need treatment to significantly reduce the size and cost of severe fires (Finney 2001). Conversely, a one time treatment of all high fire risk areas would not fully address the fuels problem, as landscapes continue to change over time and fuels would build up on many lands currently in historic condition, without periodic maintenance treatments (Beighley).

Federal land management agencies developed a National Fire Plan to effectively (1) target resources for fire suppression; (2) reduce hazardous fuels on federal and adjacent land, and restore land health in fire prone areas; and (3) work directly with communities to ensure adequate protection and to provide effective community assistance. The plan emphasizes cooperation among federal and state, tribal and local organizations and communities. It aims to restore fire-adapted ecosystems as the best long-term solution to reduce risk to communities, provide for public and firefighter safety, and ensure sustainable resources.

How effective is fuel reduction in reducing catastrophic fire?

The 2002 Hayman Fire, which burned 138,000 acres in Colorado, provided the first large-scale study with comparisons of fuel treatments (Graham 2003). A team of 60 researchers and resource professionals evaluated fire behavior, the effects of fuel treatments on burn severity, home destruction, post fire rehabilitation activities, and social and economic issues. They concluded that some recent prescribed burns appeared to stop the fire locally while other areas modified fire behavior but did not stop the fire. In areas with moderate conditions, recent burns appeared to have lower fire severity than older burns. Removal of surface fuels alone can dramatically alter fire behavior within one year of treatment.

Fuel Reduction Treatments and Costs

Fuel treatments include (1) biological methods such as prescribed fire (a management-ignited fire under certain, predetermined conditions to meet specific objectives) and grazing; (2) chemical use (herbicides); (3) mechanical thinning (using saws, tractors, and chippers to cut up and remove woody materials); or (4) a combination of these methods. In high risk areas, some fuels often must be removed mechanically to reduce fuel loading before it is possible to use prescribed fire.

Particularly in the southeast, many forests within the historic range condition are periodically burned to limit rapidly growing vegetation. Recouping costs associated with forest restoration is a management difficulty.

The cost for implementing the 15-year option is projected at $825 million per year for a total of $12.4 billion to treat 73 million high priority national forest acres (USDA Forest Service 2000). Of course, this figure is only an estimate and (averaging about $170/acre) includes routine maintenance thinning of stands within historic range. It does not include planning and overhead costs and focus only on a portion of the lands in overall need of treatment (USDA Forest Service 2000). Forest Service and DOI agencies were allocated $400 million in 2002 for fuel treatment.

There is great variation in estimated costs depending on the types of stands to be treated. Gross costs for mechanical treatment of overgrown (high risk of fire) stands have been cited at $500-$1,000 per acre, stands at moderate risk could cost up to $400 per acre, and maintenance treatments for stands within their historic range should cost $50 to $100 per acre (Beighley 2003).

These treatments will not easily pay for themselves. Although high commercial value of large logs can fund a timber-harvest operation, vegetation removed for fuel hazard reduction is not so marketable. Small-diameter trees currently are in low demand, and the market values are low in some areas of the country. In the Interior West, the demand for small diameter trees and other material is among the lowest and the need to remove such trees is among the greatest.

Currently the technologies and the economic incentive for using these small diameter trees are minimal, and often the cost of transportation exceeds the market value of the material. Researchers, rural development specialists and forest managers are seeking new utilization options for small diameter timber such as development of value-added products and bioenergy. One National Forest demonstration project has used a special bundler for binding thinned woody material into tightly strung bales that are easily stored and transported to bioenergy facilities. Researchers also are developing cleaner and more efficient processes for product conversion, and better performing wood products, to support small log markets.

Working With Communities

The National Fire Plan also sets goals for working with communities, using the Forest Service's Economic Action Programs (EAP). These assistance programs provide grants and technical assistance for developing new or expanded forest technologies, products and markets. EAP provides technology transfer needed to apply research knowledge to develop new methods to utilize and market small diameter trees and other fuels. For example, small diameter trees, which were formerly unmerchantable, can be processed into flooring or other marketable products, or used in their round form in other structures. Fine fuels, also called small woody biomass, are being used in small-scale community renewable energy systems. EAP

grants are funding rural community-based projects directly and indirectly for hazardous fuel reduction as ecosystem restoration.

Not only a public lands problem

The Forest Service, BLM and other federal and state agencies do not "own" the problem of excess fuels and fire risk alone. Many acres of private lands are also at high or moderate fire risk.

Many communities and their watersheds are intermingled with undeveloped wildland, a situation called the wildland-urban interface. The federal agencies are working with state, tribal, and local public officials to help prioritize fuels treatment within the wildland-urban interface.

The National Fire Plan also designated $11 million for fiscal years 2001–2003 for developing "Firewise," an educational program for landowners and communities to learn effective fire prevention. The Firewise vision is homes designed, built, and maintained in order to survive wildfires without the intervention of the fire department.

Firewise targets homeowners, firefighters, builders, landscapers, insurance companies, and public officials and helps to facilitate community safety. It includes technical assistance to communities and national recognition for communities that improve planning and mitigation of fire hazards. Firewise shows homeowners how to reduce fuel buildup and more effectively fireproof their homes. More information is listed on the website firewise.org.

International Context

International programs have focused on two areas: where land management alters ecosystems from their historical fire regime and climatic events that affect catastrophic wildfires. In many countries besides the U.S., historical land management in some ecosystems has led to buildup of fuels and increased risk of catastrophic fire. Widespread logging and forest conversion for agriculture in some tropical areas has opened the canopy, allowing moist forests to dry out and become prone to unnaturally widespread forest fires. Climatic events including extreme El Nino events in 1997–98 have sparked large-scale wildfires that overwhelm local fire suppression. The Forest Service is working on several large scale international collaborative efforts in fire and fuels management and also has worked with other government and international agencies (including USAID) to provide fire suppression capabilities and disaster response support.

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Mr. HASTINGS. Thank you very much, Mr. Horngren.

And last, but certainly not least, Supervisor Morris, you are recognized for 5 minutes.

STATEMENT OF JUDY MORRIS, SUPERVISOR, DISTRICT 2, TRINITY COUNTY, CALIFORNIA

Ms. MORRIS. Thank you, Chairman Bishop, honorable Committee members, my Congressman, Jared Huffman, and the Congressman

on the other side of my county, Congressman LaMalfa, who is very familiar, as well, with our county.

I am comforted to know and hear all the descriptions that have been placed on forested communities. We, of course, are going through the same thing that we have heard today. I am also happy to hear the collaborative process is working well for many communities, and also support for the stewardship contracting.

And I hope I am not offending anybody, but I am not a lawyer and I am not a forester. That was not to say that they don't make a contribution here. I just wanted to make sure—I am coming from, really, feet on the ground, as someone of a governing body in a forested county. Lawyers and foresters all make a very good contribution here. As Congressman Huffman has indicated, I have been a member of the Board of Supervisors since January 2009.

The only mill that is left in our county sits in my district. Many of you might know it did burn down a couple years ago, first year I took office, and is a big supplier to our job creation in our county. We are so grateful they did rebuild, the county and the community are very protective of this mill and the infrastructure it provides for the area and region.

I think one thing we didn't talk a lot about is possible infrastructure loss in the area as a result of some action not being done. I think we all agree action needs to happen. To what degree it needs to take place, that is still up for discussion, but I have heard some really great ideas here.

As you know, Trinity is a rural forested county, with 76 percent of our 2 million acres being managed by the U.S. Forest Service and Bureau of Land Management. Less than 5 percent is suitable and available for private land development. If Trinity County were a State, it would have the third highest percentage of public land, behind Alaska and Nevada. By necessity, the county must rely on its relationship with the State and Federal land and resource management organizations to provide opportunities for economic development.

My home town is not Trinity County, or even California. I grew up in Detroit, Michigan. As a child of the Motor City and the automotive production center of the universe, I saw the rise and fall of the American auto industry firsthand. I know the value of what real jobs can provide and have on a community, and the lack of those jobs and the negative impact it can have.

A little bit about Trinity County. Through the 19th and most of 20th century, the dependance on public lands resources worked out fine, thanks to a colorful history in gold mining, logging, timber products, and ranching. However, for a variety of economic and social reasons, including the need for environmental protections, these prosperous days are gone, and Trinity County's economic data looks like hundreds of rural areas that we heard of today.

There are few places in the West with economies that are more resource-dependant and includes local government. As a public lands community, Trinity County lacks a robust tax base. This further complicates local government's challenge to provide critical services such as law enforcement and social services.

Something I did not hear today that I really wanted to throw out, of course, local government's law enforcement are further impacted

by the rural areas that I live in, in terms of foreign nationals' growing marijuana. It has become a huge safety issue, along with the other health and safety issues we heard today, which further impacts our law enforcement and the lack of money to help support that.

Stewardship of these resource is imperative, not only to the small communities nestled in mountainous valleys, but to the State and national communities as critical ecosystem services such as biodiversity, water resources, carbon sequestration are provided by the Trinity forest and its watersheds. Silicon Valley was built on water and power from the places like Trinity County and other rural forested communities in the West.

One of the shining examples in Trinity County has been the Weaverville Community Forest that started out as 800 acres from BLM land and then U.S. Forest Service joined us with another 12,000 acres. As a result of that, we received in 2009 a Partners in Conservation Award by the Secretary of the Interior.

I know I see my time wrapping up. In conclusion, I would really encourage everyone to support the collaborative process. We have now taken on a second phase in expanding our collaborative efforts, support stewardship contracting, and also, while we work out some of the finer points in what our next steps would be, Secure Rural Schools will be important to extend while we make the transition into some more self-management processes.

So, thank you for this opportunity. I hope I covered it all. Thank you.

[The prepared statement of Ms. Morris follows:]

Statement of Judy Morris, Supervisor, Trinity County, California

Chairman Bishop and Honorable Committee Members,

I'm not a lawyer and I'm not a forester, but I am here before you today as a problem solver from a rural forested western county and as a member of the Trinity County, CA Board of Supervisors where I've served since January of 2009.

Trinity is a rural forested county, with 76% of our 2 million acres being managed by the U.S. Forest Service and Bureau of Land Management. Less than 5% of Trinity County's land mass is suitable, and available for private development. If Trinity County were a state, it would have the 3rd highest percentage of public land, behind Alaska and Nevada.

By necessity, the county must rely on its relationship with the state and federal land and resource management organizations to provide opportunities for economic development.

My hometown is not in Trinity County, or even California. I grew up in Detroit, Michigan. As a child of the Motor City, what was then the automotive production center of the universe, I saw the rise and fall of the American auto industry first hand. I know the value that real jobs can have on a community.

About Trinity County

Through the 19th and most of the 20th century the dependence on public land resources worked out fine, thanks to a rich and colorful history in gold mining, logging, timber products, and ranching that utilized those lands.

However, for a variety of economic and social reasons, including the need for environmental protections, those prosperous days are gone and Trinity County's economic data looks like hundreds of other rural areas across the country, both in privately owned areas like the mid-West and in the public land areas of the West.

There are few places in the west with economies that are more resource dependent and this includes local government. As a public lands community, Trinity County lacks a robust tax base. This further complicates the local government's challenge of providing critical services, such as law enforcement and social services to its far flung citizens.

Stewardship of these resources is imperative not only to the small communities nestled in its mountainous valleys, but to the state and national communities, as

critical ecosystem services such as biodiversity, water resources and carbon sequestration are provided by the Trinity forest and its watersheds. Silicon Valley was built on the water and power from places like Trinity County and other rural forested communities in the west.

Success In Collaboration

One of the shining successes from Trinity County has been the Weaverville Community Forest. This 13,000 acre territory comprised of both USFS and BLM managed lands and guided by a collaborative community group and supported by the Stewardship Contracting tool.

Although the economics to date have been small, the trust that has built through the development of this award-winning project is a bankable commodity in and of itself, which will guarantee much faster movement on future projects. I'm proud to say the in 2009 the Community Forest was awarded one of the 2009 Partners In Conservation Awards by then Secretary of Interior Salazar.

Using this model as a springboard, the Trinity County Board of Supervisors has entered into a government to government with our federal agency partners and are working on a "Forest Management 2.0" model and is moving forward with a countywide collaborative with the goal of replicating the success of the Weaverville Community Forest at a countywide scale.

As you know, there are a number of other successful collaborative efforts underway across the west including Idaho's Clearwater Collaborative, Washington's Pinchot Partners and others.

How To Move Forward—Retain and Support What Works

Stewardship Contracting—Currently allows the Forest Service and Bureau of Land Management (BLM) to enter into long-term contracts (up to 10 years) to meet land-management objectives (for example, to reduce wildland fire risk and improve forest and rangeland health). The reauthorization of this authority that is expiring in September of this year is crucial to Trinity County's next steps. This has an important tool for our community in our efforts in the Weaverville Community Forest and other projects.

Secure Rural Schools—Until an alternate revenue model is developed, I agree that at least a one year extension is crucial, just to maintain baseline funding for these resource rich/revenue poor counties. Trinity County prides itself that the forest projects that have resulted from current Trinity County Resource Advisory Committee has been one of, if not the most, effective RAC associated with the Secure Rural Schools funding with significant work in fuels reduction and watershed protection and no lawsuits on any project.

Support Collaboration with Tools and Options, including Environmental Protections Collaboration has worked for Trinity County but only because unique conditions and goals existed.

1. **Multiple Objectives**—We value economic goals and environmental protections
2. **Good Things Take Time**—We know that we're in a marathon, not a sprint
3. **Big Success Is Built On Small Success**—We celebrate successes, like the Weaverville Community Forest, that support our evolving relationship with our federal agency partners

Just as the U.S. auto industry has finally enlisted leadership from executives and innovators from around the world to support their recovery, so must the forested public lands communities across the country.

Be Careful About Going from 0–100 mph

As a self-labeled problem solver, I understand that process can be frustrating. However I would caution putting the gas pedal to the floor on a new set of rules (or lack thereof). Focus on what's working and enhance it.

Retaining tools like stewardship contracting is vital but so is recruitment of the scientific community, encouraging natural resource based entrepreneurs and expanding high speed internet infrastructure and renewable energy development.

A New Paradigm Is Needed

Trinity County's forest and water resources must be managed in a manner that will transition society and the ecosystem into a new era. We must shift from seeking to restore to a historical condition, to a new paradigm aimed at managing for realistic and probable future conditions.

Although the conditions for each county, and each set of ecologic challenges will be different, the tools and support mentioned above are a great place to start.

More information on Weaverville Community Forest:

http://www.tcrcd.net/wcf/index.htm
http://centerforhealthreporting.org/article/could-other-north-state-communities-follow-example-weaverville-community-forest
http://www.redding.com/news/2009/oct/07/timber-group-drops-objections-to-weaverville/?print=1

More information on Natural Resource Planning in Trinity County, CA:

http://www.mfpp.org/wp-content/uploads/2012/03/Trinity-County_CA_Forest-and-Water_Climate-Adaptation-Plan_2011.pdf

Additional Information About Trinity County, CA

Trinity County, CA has the opportunity to leverage its history of collaborative successes to:

- Create local jobs
- Improve the natural environment
- Reduce the impacts of wildland fire and
- Continue to provide ecosystems services to the state and the nation

These targets can be achieved by working strategically with our federal partners to utilize public lands, existing infrastructure, current technology and science to responsibly manage the national forests within Trinity County.

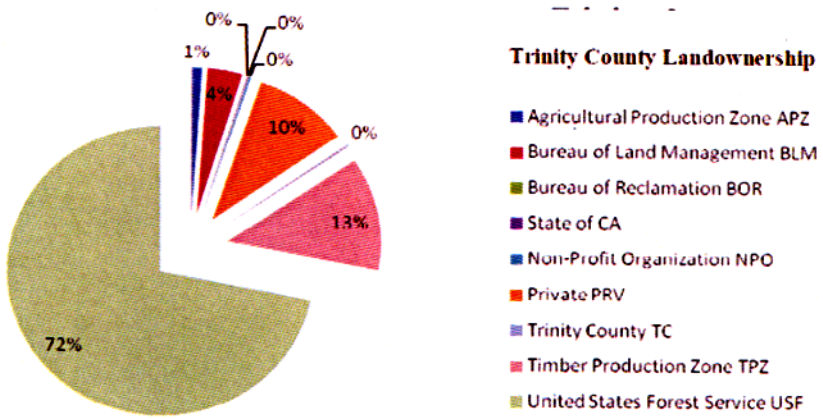
Where is Trinity County?

Located in far Northern California, Trinity County's land mass is approximately 2 million acres, one and ½ the size of the state of Delaware with a population of around 14,000. Trinity County's population has not seen a significant shift in the last 40 years. Trinity County is the only county in California without a stoplight and one of three counties in California without an incorporated city.

How Is Trinity County Different

From Agricultural Rural Communities? 76% of Trinity County is federal land, approximately 72% managed by the USFS and 4% by the BLM. Of the remaining 24%, due to ownership patterns and topography, less than 5% is available for active human development. Thus, by necessity, the county must rely on its relationship with the state and federal land and resource management organizations to provide opportunities for economic development. If Trinity County were a state, it would have the 3rd highest percentage of public land, behind Alaska and Nevada.

Through the 19th and most of the 20th century the dependence on public land resources worked out fine, thanks to a rich and colorful history in gold mining, logging, timber products, and ranching that utilized those lands.



However, for a variety of economic and social reasons, including the need for environmental protections, those prosperous days are gone and Trinity County's economic data looks like hundreds of other rural areas across the country, both in privately owned areas like the mid-West and in the public land areas of the West.

One of the keys to Trinity County's future is finding the right balance of utilization and protection of these public land resources, including the water, renewable

energy and carbon sinks that are natural products of these resource rich forested lands.

History

Trinity County, which was one of the original 26 counties prior to California becoming a state in 1850, has seen wave after wave of boom-and-bust industries. Gold mining reshaped the rivers and the mountains themselves; later ranching and then logging would leave their mark on the coniferous forests providing positive economic support, while also impacting other environmental resources with unsustainable timber practices.

Trinity Dam was authorized in 1955 as part of the Trinity Division of the Central Valley Project, bringing another temporary boom, along with the flooding of thousands of acres of prime agricultural land and the loss of one of the most magnificent mountain valleys in the U.S. For 50 years the diversion of most of the water from the Trinity County watershed to the central valley has furnished billions of dollars worth of hydroelectric power and water for the use of the citizens of California.

Most recently, a new "green rush" (the influx of people coming to Trinity County to grow marijuana) is having a significant impact on the ecosystem and the local culture of Trinity's rural communities, the lasting effects of which remain to be seen.

Not only is Trinity County's employment base natural resource dependent, but the tax base for local government is as well. As a public lands community, Trinity County is hard pressed to provide critical services, such as law enforcement and social services, to its far-flung citizens.

Demographics

- **Poverty:** Like many rural communities across the country Trinity County suffers from high poverty rates (2nd poorest in California) with 15.1% below poverty level. Over 60% of children are on free and reduced lunch programs.
- **Unemployment:** Current rate—13.1% January of 2010—22.2% peaking at above 30%
- **Aging Population:** Changing age characteristics (Trinity is the oldest county in California—Median age of 50), along with high poverty and unemployment rates, compound the economic challenges that are presented by a very small property tax base. With retirees accounting for a larger percentage of the population, there are direct impacts to our schools' reimbursement rates, local business and entrepreneurial activity, and quality and quantity of available workforce.
- **Political Trends:** Historically, Trinity County has been a mixed bag of political sentiments and trends (the only county in California that voted for Ross Perot in 1992) and that continues to be the case. While Trinity voted for President Obama in 2008, and narrowly voted for Mitt Romney in 2012 (55 vote margin), Trinity's maverick anti-government spirit is still alive and well. This is reflected with a number of different individuals and groups who have been quite vocal regarding the federal influence over public lands management and the impact on Trinity County's citizens. Another recent development comes with the recent redrawing of Congressional Districts in California, moving Trinity to the Coastal District which will be represented by Jared Huffman (D-Marin) starting in 2013.
- **Racial Demographics:** U.S. Census numbers indicate the following: White 88.5%, Hispanic 7.4%, Native American 5.2% (some overlap) with smaller percentages of other minority groups.
- **More Leadership Roles for Women:** Although they reflect the electorate's wide range of political views mentioned above, there has been an emergence of women in elected and executive roles within the county. Our Board of Supervisors currently has a 4–1 women majority, TPUD has 2 women on their 5 member board, TCRCD has 2 women on their 5 member board, the County Administrative Officer, elected Auditor, elected Treasurer and appointed Clerk Recorder are all women. Lastly, this November, Trinity County elected the first female Superior Court Judge in the county's history.

What Sets Trinity County Apart from other Rural Forested Communities?

The citizens of Trinity County have a demonstrated history of working together collaboratively for the good of the community and we are poised to do that again with your help. Some examples of this success include:

Forestry and Fire

- Weaverville Community Forest—Nationally recognized Community managed forest partnering w USFS/BLM

- Community Fire Safe Councils—Developed here first for the state and others
- Volunteer Fire Departments—All volunteer fire department protection
- Trinity River Lumber Co rebuild—Local mill owner invests $ 20 million to rebuild facility after 2009 fire.
- Trinity County Resource Advisory Committee—Most effective RAC associated with the Secure Rural Schools funding. No lawsuits on any project.
- Many other projects in this category

Health Care

- Mountain Communities Health Care District (Trinity Hospital)—In the time when other rural communities were losing their healthcare infrastructure, MCHCD was formed in 2006 by a vote of the people with a supporting local tax measure which was reapproved in 2010 with another successful election.
- Southern Trinity Health Clinic—Serving primary the area in the southern part of the county.

Technology

- Highway 36 Fiber Optic Line—This recently implemented fiber optic line was completed in conjunction with a regional consortium. This regional group is now looking for additional funding sources for a parallel line serving the more populated Hwy 299 corridor.

Energy

- Trinity PUD—Locally organized Public utility district delivers 100% carbon-free power generated by Trinity Dam as part of 1955 legislation Congress authorized when the Trinity Division was added to the Central Valley Project.
- Renewable Energy Development—A number of projects, including biomass and small hydro, continue to be analyzed for potential development. Regarding biomass, there are a number of studies documenting that facilities "right sized" for the resources available can be economically viable, promote forest health and reduce the threat of catastrophic wild fire.

Locally Supported Restoration and Resource Protection Projects

- Trinity River Restoration Program—National model for river restoration with a team of local, state and federal partners including U.S. Forest Service membership on the governing board and NRCS membership on the supporting Federal Advisory Committee.
- 5 Counties Program (part of the RC&D Council)—Innovative regional program that works on infrastructure improvements and watershed restoration to stave off additional endangered species listings
- Trinity Alps Wilderness—Converted from Primitive area to the largest wilderness area in California @ 500,000 acres—Congressionally approved with the help of intense local involvement in 1984.

Many of these successes and natural resource assets also provide an extensive menu of recreational opportunities including: Steelhead and salmon fishing, rafting and kayaking on the Wild and Scenic Trinity River, camping, boating and fishing within the Trinity and Lewiston Lake National Recreation Area, hiking and backpacking in the Trinity Alps Wilderness and many more.

What's next?

For good reasons Trinity County is very proud of its history, its spectacular natural beauty, and our "can do" and "find solutions" attitude. As explained above, we have a proven record of bringing divergent interests together for the common good. We also have immense public resources surrounding us, the national forests being the most prominent. We are poised to take the next step to become a model of environmental stewardship, renewable energy production, public land management, sustainable forestry and idea incubator for successful forested communities nationwide.

Some data and text for this brief were taken from Forest and Water Climate Adaptation: A Plan for Trinity County, CA. Model Forest Policy Program in association with The Watershed Research and Training Center and Cumberland River Compact. Sagle, ID. Medley-Daniel, M. & Thaler, T., Griffith, G., Crossett, T., (Eds). 2011.

Mr. HASTINGS. Thank you, Supervisor Morris, for your testimony. And I want to thank all of you for your testimony.

I will recognize myself now for 5 minutes. I have a few questions.

Commissioner Campbell, you alluded to this in your statement, where you talked about the number of saw mills. And my under-

standing is the Washington State Department of Natural Resources indicated 20 years ago that there were 21 saw mills that were operating in Eastern Washington. And I think at that time there were four of them in Okanogan County. Now—and you mentioned this—there is only one operating in Okanogan County, although the other one, I think, is—the Tribe is thinking about opening that again.

Can you just describe in the last 20 years what that decline in mills has done to the economy in Okanogan County?

Mr. CAMPBELL. The economy in Okanogan County is a resource-based economy there. And when the timber industry went out like it did, we went from over 1,000 jobs there down to—right now the mill that we have provides 29 to maybe 40 jobs per year.

So, the economic base of Okanogan County went upside down. We have gone from a proud, family oriented community to now looking at our children leaving the area. The ones that don't, we—it has caused an input on our social structure, the cost of our sheriff, our courts. Our welfare system is now ramping up to take the place of what, at one time, was a proud county there, and citizens, that are now poor. So——

Mr. HASTINGS. You kind of answered this, and I want to ask a follow-up. You kind of answered this in your first remark, because the whole idea of the Secure Rural Schools program and the payments was a temporary program to be a bridge from the economy that you had to a new economy.

Now, you alluded to the fact that you haven't developed a new economy. I guess my question is what prospects for a new economy exist in Okanogan County, other than resource economy.

Mr. CAMPBELL. Well, Okanogan County does have some recreation benefit to it. But it is a small portion of what the resource community had at one time.

Mr. HASTINGS. Nothing to replace the promised 25 percent of revenues that would come from timber harvest, for instance.

Mr. CAMPBELL. Not even close to it, no.

Mr. HASTINGS. And the last question I have—and this, again, was mentioned by several of my colleagues—in the President's budget he calls for a reauthorization for 5 years of promised payments for Secure Rural Schools. Given the choice between developing your own resources and governing them locally, or waiting for a check to come from the government, which option would you choose?

Mr. CAMPBELL. I would choose the ability to go out and make a living for ourselves, beyond the welfare program that we are now on presently in our county, our State, and this Nation. I listen to the idea that the Forest Service now wants to buy more land, and still isn't programmed to generate its own revenue there.

I am a rancher. If I go to my banker and say, "By the way, I am broke, but I want more money because I want to buy more land," he would laugh me out the door. And that is what I am looking at our Forest Service doing right now.

Mr. HASTINGS. Well, I think you were sitting through the first panel testimony. I think you heard that type of observation expressed a number of times by my colleagues that are here. There is a tremendous amount of interest in this legislation, and right-

fully so, because this promise of sharing revenue by multiple use of our resources, that promise was made over 100 years ago, and it certainly has gone by the wayside in the last quarter of a century or so.

So, I thank you very much for your testimony, and I will yield back my time and recognize the Ranking Member of the Subcommittee, Mr. Grijalva.

Mr. GRIJALVA. Thank you, Mr. Chairman. Commissioner Campbell, just a clarification for myself and for the record. By "forest counties," when you say "forest counties," are you testifying on behalf of the National Forest Counties School Coalition, or the Partnership for Rural America?

Mr. CAMPBELL. The National Forest Counties Coalition, there. I——

Mr. GRIJALVA. Thank you very much. I appreciate it. If I may, just a couple of quick questions.

Mr. Wood, thank you. In your testimony the discussion was about the jobs and the economic issues that you brought up. Do you or the National Association of Home Builders, as you indicated the prices for wood, support an end to the export of raw logs from our Federal lands, and just keep them here, domestically?

Mr. WOOD. I can't speak on behalf of the Association on that issue. I just know that we need a better supply of lumber into our market to try to keep our lumber prices down.

Mr. GRIJALVA. Well, that was my same point. If the issue is the price and the importation because of lack of harvest, then if we are harvesting Federal land, shouldn't that stay for domestic use?

Mr. WOOD. That would lead—in my opinion, I would believe that to be correct.

Mr. GRIJALVA. I appreciate that. Mr. Horngren, in your testimony lawyering came up from my colleagues, and radical environmental extremist lawsuits, and all that stuff came up in the course of this conversation today. In your testimony you use the word "litigants" a lot. I am assuming you primarily are talking about environmental groups that litigate.

Mr. HORNGREN. Yes.

Mr. GRIJALVA. Has your organization been involved in any litigation against the Federal Government? They have——

Mr. HORNGREN. Yes, we have, and we have also been involved in administrative appeals. But our litigation isn't to stop projects, it is to help the Forest Service do their job.

Mr. GRIJALVA. OK. But let me finish.

Mr. HORNGREN. Sure.

Mr. GRIJALVA. So, your organization has, from our records, sued the Federal Government under the Endangered Species Act numerous times in the last decade—I think seven examples that we found over the last 10 years. And so, roughly how many lawsuits have you filed against the Federal Government over the last 10 years? Under 25? Over 50?

Mr. HORNGREN. Probably about seven is accurate, and——

Mr. GRIJALVA. And are you actively involved in more than one lawsuit against the Federal Government under the Endangered Species Act, as we speak?

Mr. HORNGREN. Yes, we are. And an example Congressman Herrera Beutler mentioned, the Agency is——

Mr. GRIJALVA. OK.

Mr. HORNGREN [continuing]. Down on the amount of critical habitat, and we think that is going to keep the Forest Service from doing the restoration job they need. And so we have challenged that decision.

Mr. GRIJALVA. And the organization which is also part of the point that you made about bonding, that it would limit that, has your organization requested to be compensated from the judgment fund—i.e., the taxpayers—for the work that you performed suing the Federal Government, whether it was under the Equal Access to Justice Act or the Endangered Species Act, let's say, over the last 5-year period?

Mr. HORNGREN. If we would prevail in a case, yes, we seek our attorneys fees if it turns out the government was wrong.

Mr. GRIJALVA. Well, unfortunately, the fees are under seal and the public can't get to that amount. But would you be willing to say how much your organization has recovered under those provisions in the last 5 years?

Mr. HORNGREN. I don't know the answer to that. But in terms of the recovery of fees, we support the provisions of the bill that would require the losers, including us or anybody else who sues the government, to reimburse the government for defending these cases.

Mr. GRIJALVA. Well, if you suggest as a solution to the problem of the—I think it is the legal "gotcha" game, where needless delays happen because of litigation, that you post a bond equal to the taxpayer cost of defending the project in court. What would be enough?

Mr. HORNGREN. Well——

Mr. GRIJALVA. In terms of the cases you filed.

Mr. HORNGREN. Yes. The way the bill is written is the judge would be the gatekeeper on that. The Forest Service would come to the judge and say, "We are going to spend this much on attorneys fees," or, "We have spent this much on attorneys fees. We won"——

Mr. GRIJALVA. OK.

Mr. HORNGREN [continuing]. "Case, and we want to be reimbursed."

Mr. GRIJALVA. Did the American Forest Resource Council or the Federal Forest Resource Coalition assist in the development of the legislation?

Mr. HORNGREN. We didn't write the bill. We would have loved to write the bill, and we converse with House and Senate Members about what we think is needed to solve——

Mr. GRIJALVA. Did you extend the courtesy to the Minority on this Committee?

Mr. HORNGREN. We have talked to Minority Members, Congressman DeFazio and——

Mr. GRIJALVA. Thank you, sir. I yield back.

Mr. DAINES [presiding]. OK, thank you. The Chair now recognizes the distinguished gentleman from Alaska for 5 minutes.

Mr. YOUNG. Thank you, Mr. Chairman, and I will be short. First, I want to thank the panel. And it is about rural schools and being reimbursed under a program that is, very frankly, now being failed. And that is the fault of this Congress and the Administration. But it is just not this Administration.

When I first came here, we had a pretty viable timber industry, nationwide. And I have seen in 40 years a decline to a very minimal amount because of bad management and big fires. Last year we had 9,300,000 acres burn. And, according to my statistics, that is about 100 barrels of fuel per acre. And if you add that up, that is 930 million barrels of fuel that went into the sky, which probably is equal to all of Los Angeles, San Francisco, Miami, all of the other areas burning fossil fuels.

We could have managed that timber, managed it so we didn't have those fires, and put the corn in the cow's bellies and people's bellies, instead of using ethanol from corn.

And I wish I was here, I had another appointment—when the Forest Service—the Forest Service is no longer managing timber. That is the sad part. I am involved with American Indians now on reservations. They are managing their timber very well. But you go right across the street and you have a Federal forest, it is a terrible thing to watch, which could potentially cause harm to the Reservation timber because they are not managing it correctly.

I am one that watched—when I was in Alaska 40 years ago, or actually a little longer, we had 15,000 high-paying, family jobs. And we passed the Alaska National Lands Act. We have maybe 40, maybe 50, and trees dying all over. "We want to save the trees." And I made a prediction 100 years from now when we will be long gone. There is going to be people looking at our national forests and saying, "What the hell were they thinking?" It is going to be a desert. Dead trees burnt down, wasted, and communities dead.

And why the Forest Service—again, it is just not this Administration. I will give you an example, if I can. I am on my soap box, right now. And here is an example why we should harvest old trees. The Forest Service itself is made of old people and young Greenies that don't understand taking a tree down that can be replaced is like harvesting corn.

I mean I sit here every day and watch this Nation go in the tank because no one wants to change anything. Leave it as it is. The truth of the matter is, if we don't manage these trees, God will. And he will burn them to the ground, polluting the air. The same Greenies that don't want to cut down trees are saying we can't burn fossil fuels. And it all goes into the sky, pollutes the air. That is going on year after year after year in the last 40 years.

So, we have a challenge. And I feel bad for the communities. I have been in some of these communities that were thriving towns and, like you say, family oriented. Nothing now. So again, I don't know what is going to happen, realistically. This is trying to expose to the American public just how bad the government is managing these natural resources on public lands under the guise of protecting the environment. I just hope that the American people wake up.

And it goes back to exporting logs, the gentleman talked about exporting logs. Under our Constitution, I thought we were sup-

posed to get the best return on logs. If you understand, we sell a tree, we are supposed to get the best return back to the taxpayer. If this is abroad, then let that be so. If it is here, you can make that timber more realistic for the harvester to make a profit, and a profit is something we should have. If you can't hire people you don't make a profit.

So, I commend the panel. And I say respectfully, Mr. Chairman, we, as a Congress, and the President, as the President, are supposedly the managers of the forests. Either give the land back to the States, all of it, as they were promised at one time, or give the communities the right to manage the timber around those communities that make a sound investment and keep those communities alive. We don't do that, shame on us and shame on the President. I yield back.

Mr. DAINES. Thank you. The Chair now recognizes Mr. Huffman of California.

Mr. HUFFMAN. Thank you, Mr. Chair. My question is directed to Supervisor Morris. And, Supervisor, I want to thank you and I want to thank all of the panelists for their testimony today. But I especially want to thank you because in a conversation that, frankly, I think has involved far too much scapegoating and endless conflict and pitting environmentalists against foresters, even man against God, I want to thank you for steering clear of that and focusing in a much more constructive way on some things that we can do together.

And in that spirit, I want to ask—and going back to the Weaverville Community Forest model and the work that you have been involved in, what do you see as indicators of success through that collaboration? How do you think we can best measure how it is going?

And what are the challenges that you have had to overcome, or that still may be at issue for the success of that collaboration?

Ms. MORRIS. Well, I think we didn't get here overnight, the issues that we are discussing. And it is certainly not going to be solved overnight. And in the meantime, we at the local level, citizens in the community, environmentalists, industry, sat down and said we need to do something. And that started with the Weaverville Community Forest. We had in mind the mill in our focus. That was our goal, to keep jobs going, to keep the mill supplied, and of course, fuels reduced. We saw that accomplished.

And I think what doesn't get put on paper is that we had some serious trust-building between all parties involved. That has led us to move forward. And this last winter, the winter prior, I was requested by the businesses in my district who said, "What can we do now, we are still worried about the economy, what can we take from the Weaverville Community Forest and scale up?"

So, with that, we have embarked on our new collaborative effort. I have met with Chief Tidwell, Secretary Vilsack. They are aware of our success and what we intend to do. And again, take it to another level. So I think that is a great indicator that we are able to move forward. Is it easy? Is it pretty all the time? No. There is a lot of negotiation. But we all have one interest at heart, and that is our community. And it gives us some local control. We are able

to go to the agencies and say, "You know, this really isn't working." All parties involved are in agreement.

So, it is certainly not the end-all-be-all tool, but it helps us in the meantime keep restoration efforts going, watersheds open, and logs to the mill. And so, to us, we have had success and we look forward to more success.

Mr. HUFFMAN. Thank you.

Mr. DAINES. Thank you. The Chair now recognizes the gentleman from Utah, Mr. Bishop.

Mr. BISHOP. Thank you to all of you for being here again.

Commissioner Campbell, I appreciate you being here. Congressman Hastings asked you several questions, and I think he did that because he is the only one left in this room that can pronounce Okanogan County. Was I even close to that?

Mr. CAMPBELL. You hit it right on.

Mr. BISHOP. That will be the last time. Anyway, I appreciate you being here, and for your testimony on the significance of this.

Mr. Wood, I have a couple of questions for you, if I could, since you are in the industry. Many people will simply say that we should not increase the amount of wood that we are developing on public lands because there is not a market for that. Is there indeed a market for potential growth in the wood and timber industry?

Mr. WOOD. Yes, I believe so, because during our down time we have been building less than 500,000 new homes a year, and we are projected to be over a million homes this year. And that number has continued to grow back to the standard levels, about 1.4 million new homes created every year.

Mr. BISHOP. All right. So let me interrupt there. If the amount of—during the boom, the amount of timber produced on public lands fell to its lowest level and it has bottomed out since then, if we now have an increase in the amount of housing that is taking place, from whence will that wood come, or what does that mean to the cost of houses?

Mr. WOOD. I believe that what is coming off a lot of the private lands, as we have heard, is being shipped overseas and other places. And so, as the market gets more constrained here with what is available to our market, it just increases the cost of our housing. And as I said, every $1,000 increase just raises the price so that puts many middle-class families out of being able to buy a new home.

Mr. BISHOP. And I understand where you live you have both private forest lands and public—Federal forest lands at the same time. You indicated there was a difference in the way they were managed. Can you just tell me about the underbrush control for fire management, what the difference between those two types of lands are?

Mr. WOOD. Well, it is very similar to what the private citizens do, as well. They try to go through and clean out any dead, diseased, fallen trees or dead underbrush that has grown, because that just creates fuel for forest fires. And when something sparks, that takes off and goes.

The private lands are managed really well and taken care of, whereas on the Federal lands are not. And so the Federal lands, you just have that fuel ready to go if it gets any spark.

Mr. BISHOP. OK. I appreciate you sharing the nexus between the cost of housing, as well as the amount of timber that is available, and as how much goes into that. I appreciate that. Let me come back to you a little bit later.

But Mr. Horngren, did I pronounce——

Mr. HORNGREN. Yes.

Mr. BISHOP. I can't even see your name. Even with glasses I can't see it.

Last year—I mean the Forest Service has listed as part of their accomplishments that they harvested a total of 200,000-plus acres from the 109 million that they have, and that was one of the pluses. In Washington last year, 300,000 acres burned in just 2 months that cost us about $114 million. In the President's budget that he released on timber harvest, they have lowered their own goal for timber harvesting by 15 percent and cut funds used to treat hazardous fuels by 37 percent.

In your view, is that the way we should be prioritizing the way we handle our Federal forest lands?

Mr. HORNGREN. The experts in the medical field know that money spent on prevention and maintaining health translates into significant savings in avoiding the need for emergency treatments. And I believe the same principle should be applied to the forests, and that budget doesn't reflect that principle.

Mr. BISHOP. All right. We use that same question for our Medicaid problem, as well. So——

Mr. HORNGREN. OK.

Mr. BISHOP [continuing]. Good answer.

[Laughter.]

Mr. BISHOP. In your testimony you talked about frequently abused Gotcha Games. Could you just, in a couple of seconds, tell me what you mean by Gotcha Games, or——

Mr. HORNGREN. I will give you two examples.

Mr. BISHOP. OK.

Mr. HORNGREN. One is on the Shasta Trinity National Forest, the Algoma Project there. When critical habitat for Spotted Owl was listed a few months ago, on a particular timber sale project that represented about half that sale volume they actually reduced the amount of critical habitat. Yet the project had to be stopped to reconsult on the effect of that change that actually reduced it.

One other example is that the environmental organizations have these propaganda factories dressed up as science reports. And every time a new report comes out, the agency needs to take a look at that and stop its project.

Mr. BISHOP. OK. Let me ask—I am going to run out of time here. Commissioner Morris, if there is another round, I will get to you. But let me ask one last question, Mr. Horngren, and I have got, like, 30 seconds to do all this, including the answer.

There has been some attention devoted recently to the increased demand for logs. How does this impact the domestic timber industry? You got 20 seconds.

Mr. HORNGREN. It hurts—the prices go up. Rough and Ready Lumber Company in my State has curtailed in the last few weeks because they don't have enough volume from these Federal lands. One last point in my 8 seconds, we do not export raw logs from the

Federal lands, and the record needs to reflect that. There is no export of raw logs from Federal lands.

Mr. BISHOP. Only from private lands, which, I guess, goes back to Mr. Wood. That is where the pressure for the cost will increase if we don't increase what is taken off Federal lands.

Sorry, 10 seconds over, my mistake.

Mr. DAINES. Well done, Mr. Bishop. The Chair now recognizes the gentleman from California, Mr. McClintock.

Mr. MCCLINTOCK. Thank you, Mr. Chairman. Commissioner Campbell, could you repeat the comparison that you made between the management of State lands and the management of adjoining Federal lands? I thought that was a stunning figure.

Mr. CAMPBELL. Just a minute here, let me find my figures here. In 2011, OK, our State DNR lands are over 2.1 million acres, relatively there. And in 2011 the State trust lands yielded a harvest of 560 million board feet of timber, which generated $220 million in revenue. The national forests in the State of Washington yielded 129 million board feet, generating $638,000 in revenue on 9.3 million acres of land.

Mr. MCCLINTOCK. The 2.1 million acres of land managed by the State which produced 560 million board feet, $220 million of revenues for the people of Washington State.

Mr. CAMPBELL. Correct.

Mr. MCCLINTOCK. And 9.3 million acres of Federal land, more than 4 times that amount of land, produced 129 million board feet, roughly one-fifth of what the State was producing, and only produced $630,000 worth of revenues?

Mr. CAMPBELL. Correct.

Mr. MCCLINTOCK. Now, how could the State harvest $220 million worth of revenues off of the timber that they produced, and yet the Federal Government, even though it is one-fifth the actual harvest—five times the land, but one-fifth the harvest—could only muster less than ½ of 1 percent of the revenues that the State generated for their taxpayers?

Mr. CAMPBELL. You are going to have to ask the national forest that. I can't answer that question.

Mr. MCCLINTOCK. Could it possibly be that much of the timber that they harvest out of the national forests is not commercially viable?

Mr. CAMPBELL. They don't harvest timber out of the national forest. They harvest small poles out of the national forest there.

Mr. MCCLINTOCK. Exactly. You heard Chief Tidwell equate fire destruction with forest restoration. What are your thoughts on that governing philosophy of the National Forest Service?

Mr. CAMPBELL. Well, we do need fire protection monies, I agree. But when they reduce the funds to go out and actively manage their forests for the fire protection, it doesn't make sense. The industry can take care of itself if it is opened up and let do so.

Mr. MCCLINTOCK. Mr. Horngren, does your industry have any estimates of how much money would be generated from the National Forest Service if we restored the same kind of sound, sustainable forest management practices as Commissioner Campbell has just described the State of Washington performs?

Mr. HORNGREN. I would imagine a hundredfold or more. I don't have an estimate, no. I am sorry.

But if they were to take out—if they would identify what your committee is struggling with, or is addressing, a clear mission for these lands, identify an area where revenues could be produced for the counties, we believe that there would be enough to offset Secure Rural Schools payments.

Mr. MCCLINTOCK. Oh, I think not only enough to offset Secure Rural Schools payments, you wouldn't need Secure Rural Schools payments, because these communities would once again be economically thriving, thousands and thousands of families that are out of work would find work again in thriving saw mills. I mean that was the experience of the mountain communities in the Sierras when we practiced sustainable forest management, and they have been absolutely devastated economically by the policies that are now in place at the National Forest Service.

Mr. HORNGREN. You are absolutely right. You will have that economic——

Mr. MCCLINTOCK. Could you provide us with an estimate of how much revenue the Forest Service is costing the people of the United States by failing to abide by the same practices as Commissioner Campbell just noted that the State of Washington is performing for their taxpayers?

Mr. HORNGREN. We can get you an estimate. And it is equal to the Secure Rural Schools, and then many, many times more than that. That is revenue that would go to the treasury, it is economic activity that you mentioned that would help the communities without any government payments, because it would be private activity.

Mr. MCCLINTOCK. And when you think of the countless thousands of acres of our forest land that now lies in ash, and realize if just a tiny fraction of those trees that have now been destroyed had been harvested for productive use, what that could have done to provide for the management of the entire Forest Service.

Mr. HORNGREN. You are absolutely right.

Mr. DAINES. Thank you. The Chair now recognizes the gentleman from Colorado, Mr. Tipton.

Mr. TIPTON. Thank you, Mr. Chairman. I appreciate you all being here, and I have probably just more of a comment. I certainly want to applaud Chairman Hastings in regards to this bill, listening to your comments, and then just even the questions. Irrespective of party, I think there is a real recognition that our communities need to be able to play a vital role in terms of restoring health, not only to our forests, but being able to address the importance of school funding, as well. And this is something that can work hand in hand.

And, Mr. Horngren, you might want to talk to the guy that is right over your right shoulder when you are talking about actually looking at some scientific methods to be able to look at some habitat. We have issues with Sage Grouse out in Colorado that we are seeing massive amounts of land. And in Garfield County they went through, with real science that they had paid for, reduced the potential habitat area from better than 500,000 acres down to 15,000 acres. To be able to achieve a win-win——

Mr. HORNGREN. And the win-wins are there, and you are absolutely right. It shouldn't be Groundhog Day every time the Forest Service goes to do a new restoration project and spending 70 percent of their budget on preparing these projects. They have successes, they have collaboration. And we ought to be able to gain some efficiencies in doing what we are doing so we can do more of it with either reduced funds like the Forest Service wants, or the same funds, or hopefully, increased funds, and ramp up and leverage that money to go further than it is so far.

Mr. TIPTON. You know, that is really true. And I think that we ought to all start probably from the premise that we all like clean air, we all like clean water. We see some value in the endangered species end of it.

That being said, I was a little curious, really, from some of the other questions that were going on in regards to lawsuits that are holding up responsible development of resources and treatments that are going in, do you know how many—you have talked about the seven lawsuits. How many on the other side to be able to—you want to be able to create development?

Mr. HORNGREN. Right.

Mr. TIPTON. How many lawsuits have been issued on the other side. Do you have any number? I am just curious.

Mr. HORNGREN. Hundreds. And let me give you one example. The Beaver Slide lawsuit in Trinity County, where they had some collaborative agreement on a project, was filed 2 years ago.

And Trinity River Lumber Company cannot harvest its timber sale because of that lawsuit. And it thins the forest, 60 percent of the canopy is retained. That lawsuit is now in the ninth circuit. And I can cite you five others—I will be happy to submit it for the record.

Mr. TIPTON. So you had seven suits that you participated in versus—to try and create responsible development, versus hundreds trying to inhibit——

Mr. HORNGREN. Yes.

Mr. TIPTON [continuing]. Responsible development.

Mr. HORNGREN. Yes.

Mr. TIPTON. OK. I thought that was just interesting. So, with that, Mr. Chairman, I yield back. Thanks.

Mr. DAINES. Thank you. The Chair now recognizes the gentleman from Pennsylvania, Mr. Thompson.

Mr. THOMPSON. Thank you, Mr. Chairman. I appreciate that. My first question is for—Mr. Campbell was a commissioner, Board of Commissioners. The question in my exchange I had with the Forest Chief—obviously you weigh in on behalf of the citizens in your communities that you represent, when there is opportunity, with the Forest Service.

In terms of the outcomes that you have seen, how much is the opinion of the local folks who have everything at stake—is that taken into account? Do you see it as a value? Do things tend to go your way, in terms of the whole scheme of "public input"?

Mr. CAMPBELL. Well, thank you for that question. I have sat in on quite a few meetings with the U.S. Forest Service on issues there, and I feel like I am talking to the trees. I feel like the opin-

ions and the concerns of my county are ignored, on the most part, with the Forest Service there.

In my county there are two different districts or two different areas. We have the Twisp District there and the Tenaska District there. And I sat down with members of both, and it feels like I am getting the run-around there. So the answer is no, not so good.

Mr. THOMPSON. Not so good. And, unfortunately, a lot of folks in the communities—and I didn't point out a lot of folks here from western States, I want to make this clear. This is a bipartisan group, because I am from the eastern part of the country, from Pennsylvania. But with the national forests I have in the four counties, and they are involved with that, we see similar.

Now, Mr. Campbell, you mentioned in your testimony that 20-plus years ago we were harvesting 14 billion board feet from our national forests, yet last year we only produced 2 billion. What do you believe is the middle ground, as you put it?

Mr. CAMPBELL. You know, 20 years ago the harvest was probably up at the top of the line there. We are not ready to go to that level at this time. I would say somewhere in between would be a good starting point there.

Mr. THOMPSON. OK. Now, do you have any forest land in your county that is managed by the private sector at all? And how does that compare with what the Forest Service is doing? And you may not, I don't know.

Mr. CAMPBELL. We do have some private-sector land. It has been a while since they have been logging that there. The distance to the market now is quite a ways off.

Mr. THOMPSON. With the mills that are being closed.

Mr. CAMPBELL. Yes, our mills are being closed. So the revenue generated off that land at this time isn't—does justify the cost of getting to the market, from the most part, there. So——

Mr. THOMPSON. Yes. So that is the chronic impact of not really managing up toward sustainable rates.

I know in the Fifth District of Pennsylvania it was about 120,000 acres that are adjacent to the Allegheny National Forest. Collins pines, they have been around since the Civil War. And their production annually on 120,000 acres equals the just-under-500,000 acres of forest that the ANF does.

And so, that is part of innovation. That is part of looking to see what the private sector is doing and how do we replicate that? How do we get that kind of production which is good for our forests and good for, quite frankly, for our rural communities, to make them vibrant?

Mr. Wood, you suggested that despite the passage of the Secure Rural Schools program in 2000, the Federal Government has failed to implement active forest management plans, Federal timberlands have not been managed properly, nor has there been an increase in harvesting on Federal lands. Why do you believe we still are having fundamental challenges in harvesting the necessary levels of timber from Federal lands?

Mr. WOOD. I would say why we are not getting enough from the Federal timber lands is just all the different restrictions that are in place, from all the different Federal policies. While I am not a forester, I understand that there are environmental concerns and

different issues, from stormwater to healthy forests. But I think that one of the challenges of this Committee is to try to look at those challenges and to figure out a way that we can reach resolution to them.

Mr. THOMPSON. Yes. And as I close out my remaining—I am a fan of the United States Forest Service. And most professionals I talk to, including the Chief, they just want to do their job, do what is right for the forest, and do what is right for the rural communities. And there been a lot of problems with these lawsuits, and we need to make sure that we are alleviating some of those burdens so they can do their jobs. Forests benefit if they are fully able to do that capacity, and our rural communities definitely benefit.

And, Chairman, I appreciate it. I am out of time.

Mr. DAINES. Thanks much for your comments. The Chair recognizes himself here for 5 minutes.

Again, back to Montana questions. Our forests are infected by beetles, over 2 million acres. Fire prevention, we have talked about that. Football games were canceled last fall because of air quality, we have talked about that. Yet loggers are struggling to find work.

This would be a question for Mr. Horngren. You mentioned hundreds of lawsuits, potentially, that are holding up responsible timber harvest. Would a short-term moratorium on lawsuits for high-risk timber or insect-infested timber—and, by the way, "insect-infested timber" is D.C.-speak for dead trees. We call them standing dead out where I come from. Would that be valuable to our struggling mills?

Mr. HORNGREN. That would be helpful, and you have a case that was mentioned, I think, earlier today, the Colt Summit Project in Montana on the Lolo National Forest that was held up, a forest restoration project. Plaintiffs only were victorious on one of their eight claims, but it had to be stopped, and they went back and redid that.

And so, if there is some things short of completely banning lawsuits that you could do that would help move projects forward, I agree with you.

Mr. DAINES. Do you have thoughts on what a policy might be for a short-term moratorium?

Mr. HORNGREN. A short-term moratorium might say that you could only bring a suit challenging whether the particular project is consistent with the terms of the Act you passed. You may have particular requirements for these types of things in saying you can't bring every claim under the sun, but you can challenge it if it doesn't follow the Act. And so that is an option and a way to do it.

Mr. DAINES. Thanks much for your comments.

Mr. Wood shared his testimony about the price of lumber. And I am a kid who grew up the son of a home builder. My dad has been building houses for 40 years. I have packed a lot of 2 by 4s and 2 by 6s over my lifetime. We share your frustration of what is going on here right now with prices, and how it affects middle-class families who are trying to perhaps maybe buy their first home.

Additionally, a point you made in your testimony that struck me and is very telling about how our forests are managed, Federal for-

ests—Federal forests, 91 percent of our harvest comes from private land, just 6 percent from State and tribal lands, 2 percent from Federal lands. So, maybe this is a question, perhaps, for Mr. Campbell.

Could you expand on the drastic differences on management on private versus State versus Federal lands?

Mr. CAMPBELL. Well, on private lands in Okanogan County there is a small amount of private timber lands left in Okanogan County. There is one section between the mountains, between the valley I live in, the Methow Valley, and the Okanogan that is private lands. And they did go through and harvest their timber over the years there, and have kept an ongoing renewal process there. And if you drive through that country now you see lush green meadows and pasture for the cattle and new trees coming up. The forest is spread out to where it is a healthy forest and managed correctly. The State DNR is up to speed on doing the same thing. They still have a few hurdles yet to go, so they are not perfect yet.

You cross the Okanogan River and you are into the Colville Indian Reservation. And you can tell a distinct difference between the national forest lands and the Colville Indian Reservation. They again have had an active management program going on on their lands. And the forests are spread out, there is grass, there is not brush underneath them, the trees there. It is very well managed there.

And that is one reason that there is hope now for one of our mills to start back up that is on the Colville Reservation, by the way. But they also have hopes of getting resources from our Federal lands, also.

Mr. DAINES. So from where you sit as a Commissioner, what would you say is the number one issue holding up harvesting of Federal lands?

Mr. CAMPBELL. Litigation. The Forest Service is afraid to make a move to do anything for fear of litigation. The process that they have to go through, the personnel that is in the office now aren't foresters. They are biologists, they are grant-writers, and they are personnel that are going through their environmental impact statements over and over with a fine-toothed comb to be sure that, whatever they do, they are not going to get sued on.

Mr. DAINES. OK. My time has expired. The Chairman now recognizes the distinguished Ranking Member from Arizona, Mr. Grijalva.

Mr. GRIJALVA. Thank you very much, Mr. Chairman. Commissioner Campbell, you referenced—and I think others on the panel did, I think—the excellent job Washington State does with forest management, and that was a response to the last question, as well. From what I have learned, the habitat conservation plan that allows the States to manage their lands for placing a priority on timber production. That plan relies on the habitat protections, watershed protections on the Federal lands. So we follow the logic that has been talked about here on occasion, and remove those protections from the Federal lands, doesn't that hurt the State lands?

Mr. CAMPBELL. I am not following your question there. Are you saying that to remove the habitat protection off the Federal lands——

Mr. GRIJALVA. Remove the Federal protections because the management plan for the State lands is based on those Federal protections being in place on those Federal lands. You take out habitat protection, you take out watershed protection, just remove them. Now what happens to the State lands?

Mr. CAMPBELL. The State lands are also working under the habitat protection of their lands, also, and the watershed protections there. We are under the——

Mr. GRIJALVA. I think the—well, Mr. Commissioner, I think the interface is much, much more distinct than just by coincidence.

Mr. CAMPBELL. Are you trying to imply that because the Federal lands are supposedly managing their habitat, that is having a positive effect on the State there?

Mr. GRIJALVA. No, I am not even implying that. I am stating that because of the management protections on the Federal land, and the restrictions on the Federal land, it has given extra freedom for the State lands to be managed with different priorities. That is what I am stating.

Mr. CAMPBELL. Well, I disagree with you on that statement.

Mr. GRIJALVA. OK. I wanted to ask Supervisor—Commissioner—is it Supervisor or Commissioner?

Ms. MORRIS. In California we are "Supervisor."

Mr. GRIJALVA. Yes.

Ms. MORRIS. Yes.

Mr. GRIJALVA. I used—back home in Pima County I was a supervisor. I share your pain on occasion, you know? Never a commissioner, always a supervisor. So I appreciate the—all the twists and turns you had to go through to get here. I know that my colleague, Congressman Huffman, thought it was very, very important that you share the perspective that you have.

Let me just follow up a little more on the question. Talk a little more about the initial success of that collaborative effort, and how that is allowing you, at this juncture in time, to take on the bigger, more complex, and obviously, more controversial projects.

Ms. MORRIS. Absolutely. Well, we have seen success in the Community Forest. Of course we had our challenges at that point, as well, but we moved through them. And I think, as a result of what we learned at that level, and the need to do more for all the issues that we have discussed here today, we have come together with many of the same folks at our steering committee. And of course, every member of the public who wants to attend and work with us is welcome to sit there with us. We will move forward and at a very local level, at stakeholder's level, to try and scale up what we have learned and have accomplished at the Community Forest.

Of course, we will still encounter challenges. But I think our relationship has strengthened with the agency's. When we embarked on the Community Forest, at that point the Forest Service hadn't done that much on the collaborative effort in our local area. So we have all kind of learned together through the Community Forest, and hope to take what we have known and grow from there.

We can't sit around and wait for all the finer details to get worked out. We need to keep working and help manage our forests for all the reasons we have talked about: environmental, health

and safety, watershed protection, keep jobs—what few jobs we do have, hang on to them.

Mr. GRIJALVA. Thank you very much. Thank you. And I just want to state that we might disagree—people might disagree with Chief Tidwell's management priorities, but certainly not his voracity. And he said that there is litigation on 6 percent of the projects and forest lands, and 1 to 2 percent of those—that litigation does cause a delay. And I think that is important to keep reminding ourselves, and not overstate the issue.

Mr. DAINES. Thank you. The Chairman recognizes Mr. Bishop.

Mr. BISHOP. Commissioner Morris, I just wanted to ask you a couple of questions to make it worth your time coming back here, and I appreciate you coming back here. And I shouldn't ask questions I don't know the answer, but I am going to, anyway.

Does California, on their education budget—and this may be out of your realm of competency, if you don't know, just tell me that—do they equalize their education funding—i.e., in many States that are enlightened, like Utah, if the local district cannot generate more than a set limit, there is a recapture from them, and it is given to the poor districts that can't generate up to that particular level. Does California do anything like that, which would help mitigate districts like yours, who have been harmed by, basically, the Federal Government's involvement?

Ms. MORRIS. To my knowledge, no.

Mr. BISHOP. That is too bad. They should do that. Well, that answers——

Ms. MORRIS. The other——

Mr. BISHOP. Then the follow-up questions don't make a bit of difference, anyway.

I do have one question, though. In your written testimony you did say that you thought SRS should be established again for another year until an alternative revenue model is developed. In your mind, what is that alternative revenue model?

Ms. MORRIS. Well, I have heard some great ideas here today, and the bills that have been forwarded. But my worry is that, from a county standpoint, budgeting standpoint, and school financing as well, is that is there a transition time. I mean if we go from, in my testimony, 0 to 100 in a different course of action, where will that leave our county, in terms of—will it still get hung up in lawsuits, and then we have no money coming in? And that could be a big disaster, is what my worry is. Is there phased-in steps that we could take that still secure funding for both county governments and schools?

Mr. BISHOP. Yes. I realize that is a legitimate fear, and I thank you for that. I think Congressman Hastings has also recognized that, and he has tried to make provisions for that kind of build-in time.

But we are seriously looking at a major problem where the SRS funds are decreasing significantly. When they are not being asked to be returned, they are still decreasing significantly, and that does not give us a path to the future that gives a reliable funding. So, unless there is some big project above and beyond to what we are looking at right now that can be used on those type of lands, without going into a legal drag.

So, with that, I yield back. We are voting right now, and I apologize. Thank you for your——

Ms. MORRIS. Thank you.

Mr. BISHOP. And thank you, all of you, for your willingness to come here and testify on these issues.

Mr. DAINES. Yes, thank you for the testimony this morning. It was very informative. And it is not because of lack of interest it is down to Mr. Bishop and myself; there is a vote going on.

So, we are going to head down to vote. So we will stand in recess for about 45 minutes, and then we will return.

[Recess.]

Mr. BISHOP [presiding]. The Committee will now come to order. The Chair recognizes that, at many times during the past, we have had a quorum. But we have four other bills to deal with, and what I would like to do is try to combine some of these panels so that we can get through as much testimony as possible, and make sure that we have heard all of them.

So, I would like those who are testifying on H.R. 1294 and H.R. 818 to come to the panel. So if I can ask Skip Brandt, who is a Commissioner from Idaho County, Idaho—got you there—Chris—oh, I should have asked how to pronounce these—Maisch?

Mr. MAISCH. Maisch. You did good.

Mr. BISHOP. Maisch, State Forester from Alaska Department of Natural Resources, Division of Forestry; Cindy Dozier, who is a Commissioner at Hinsdale County in Colorado; John Martin, Commissioner from Garfield County in Colorado; and Jason Sibold, who is an Assistant Professor of Geography at Colorado State University in their anthropology department.

So, we appreciate you being here. What we will do is simply ask all of you if you would give your opening statement. If you were here before, when Chairman Hastings was helping out—and I appreciate both Congressman Hastings and Congressman Daines organizing us in this particular seat.

Five minutes, you have your written testimonies already in the record. We would ask you to add any oral comments to it. But, as you know, there is a 5-minute clock that is right there. And if you could please keep it within those 5 minutes, I will sound a lot nicer from this point.

So, if we could just go down the row, let's deal with bill H.R. 1294 first. So I am going to ask Commissioner Brandt and then Director Maisch. They will talk. And then I will ask if the Committee has questions of those two on this particular bill. Then we will go down to the next bill and ask the round of questions again.

So, Commissioner Brandt, if you would, please?

STATEMENT OF THE HON. SKIP BRANDT, COMMISSIONER, IDAHO COUNTY, IDAHO

Mr. BRANDT. Thank you, Mr. Chairman, and leftover Committee members. I look forward to this opportunity to visit on H.R. 1294.

H.R. 1294 was a brainchild of 5 Idaho County Commissioners. We sat down, recognizing that there is a serious budget issue coming down the pike for the Federal Government, and we recognized that the SRS payments were not going to continue forever. And I

applaud the leadership of our representative, Raúl Labrador, in authoring this legislation, which is our brainchild.

Idaho County is a small, little county in Idaho, which is the largest county in Idaho. It consists of 5.5 million acres, which—4.5 million or managed—or not managed—by the Federal Government. So Federal lands is a really serious issue for my county, in aspects of services and roads and our schools.

And the up-and-down reauthorization cycles of the SRS payments has really been hard, for budgeting purposes. In fact, my school back home just introduced their levy, not knowing what next year's payment is going to be, or if it is going to be.

In the aspect of the testimony that I would like to make, I just note that we have worked very hard to try to find solutions. We have been very supportive of the SRS payment, and it is essential for continuing the necessary services.

I, myself, participate in the Clearwater Basin Collaborative, a collaborative group that started 5 years ago. I have been participating for 4 years. And I am very supportive of it. However, 4 years down the line—literally 5 years for others—it still hasn't produced anything significant. And it hasn't—the collaborative process has brought a lot of players to the table. However, we are still bound by this broken Federal system which hinders the Forest Service.

And I would just like to note that I do appreciate Chief Tidwell and his crew for their willingness to sit at the table with us and be a partner in trying to move things forward. However, I do recognize that their hands are tied by that broken system.

One way or the other, the Federal lands are going to be managed. By Mother Nature and fire, or we can do it, and we can control the environmental issues that come along with massive fires. This last year—and it has been stated that we have canceled football games and practices because of air quality.

And I want to note that this isn't just a place that I want to go visit. This is my backyard. I just got done planting 500 white pine trees up above—beyond my house. I have the confluence of the South Fork and the Clearwater River down in front of my house. I love going fishing with my son. I want to protect the environment. But at the same time, we need to have active management so our communities will thrive.

In closing, I am willing to come to the table and work with anybody to help find a final solution, other than standing around with our hands out and making multiple trips back here, trying to talk you folks into giving us more money. I grew up in an economy where the schools thrived when we were harvesting timber on national lands and we received money via the 25 percent fund. So I know it will work. Our—if you hand us the authority to manage our lands, we will have a thriving economy, as well as we will protect our air, our water, our backyard.

Thank you, Mr. Chairman, and I would stand for questions.

[The prepared statement of Mr. Brandt follows:]

Statement of The Honorable Skip Brandt, Commissioner, Idaho County, Idaho, on Behalf of Himself and Jon Cantamessa, Former Commissioner, Shoshone County, Idaho; Gordon Cruickshank, Commissioner, Valley County, Idaho; Dan Dinning, Commissioner, Boundary County, Idaho; Stan Leach, Commissioner, Clearwater County, Idaho; and The Idaho Association of Counties

Introduction

I am Skip Brandt, Commissioner, Idaho County, Idaho.

I am pleased to be here today to testify in support of H.R. 1294 The Self-sufficient Community Lands Act of 2013. H.R. 1294 is based on a Community Forest Trust concept developed by a bipartisan group of five duly elected county commissioners from throughout Idaho and subsequently endorsed by the Idaho Association of Counties.

I submit this statement of support for H.R. 1294 on behalf of myself, my fellow commissioners identified on the cover page who helped initiate this concept, and the Idaho Association of counties.

We applaud the leadership of our Representative Raúl Labrador in authoring this legislation and his support for the rural forested communities of Idaho.

H.R. 1294 will allow a transition path from the federal transfer payments of the Secure Rural Schools and Community Self Determination Act (SRS) program, to a sustainable and reliable program for revenues which do not depend on distributions from the U.S. Treasury. It would authorize our proposal for specific lands within the Idaho national forests to be designated as a Community Forest Trust pilot and that the resources on those lands be managed in an sustainable and environmentally sound manner for the purpose of generating resources for Idaho counties in lieu of transfer payments under the Secure Rural Schools program.

We support the interim reauthorization of the SRS program in 2013 as it is immediately essential to the funding of county government school and road programs throughout the country. However, as part of that reauthorization we are specifically proposing the Congress include H.R. 1294 which will allow us, and any other interested stated, to establish a Community Forest Trust pilot projects. These pilot projects will demonstrate the opportunity for the Community Forest Trust to provide a far superior alternative to the SRS federal transfer payments. Additionally, revenues generated from the Community Forest Trust pilot project would quickly begin to offset some of the federal government transfer payments under the SRS program, and thereby help immediately to partially reduce the impact to the federal treasury for SRS payments.

We have developed the Community Forest Trust concept from our combined experience with local government and natural resource management, and with considered and ongoing input from natural resource management professionals. Each of our counties has voted formally in public meetings to embrace the Community Forest Trust concept for Idaho and to seek authorizing legislation from the U.S. Congress. So has the Idaho Association of Counties.

We do appreciate the federal government's long standing obligation of support for counties with significant quantities of federal land. Congress has recognized, and we completely concur, that there must be a federal mechanism for contributing funds to local government where federal lands are not available for the local government tax base. The federal transfer payments of the SRS program have been essential for the last several years to maintaining threshold county government services for schools, roads, and public safety. However, the continuous uncertainty over whether the SRS program will continue and if so at what level, does not provide for stability, and makes it impossible for our counties to develop long term plans. We also believe the federal deficit is a significant problem for our entire country and a primary threat to our national security. H.R. 1294 will help address these paramount issues. Additionally, the pilot programs authorized by H.R. 1294 have the opportunity to stimulate increased economic development and employment in our rural communities, and facilitate efficient prioritized treatments of unhealthy forests with high risk of fire and disease. These are priorities we also share with the U.S. Congress.

Community Forest Trust

Our original proposal for a Community Forest Trust is described in detail in a hearing statement and concept paper we presented to this committee for the record in July, 2011. Basically the idea is for a Community Forest Trust to be designated by Congress from federal forest lands and further for Congress to provide those lands be managed in trust by the state for the benefit of county governments and local communities. In Idaho's case, professional forest management would be provided by the Idaho Department of Lands under the environmental laws as they

apply to all Idaho state forest trust lands. Proceeds from management of the Community Forest Trust would be distributed to counties receiving Secure Rural Schools funding in lieu of transfer payments from the federal treasury, after having first reimbursed the managing agency for land management costs. Management of the Community Forest Trust would be overseen by a Board of elected officials and stakeholders as identified in H.R. 1294.

H.R. 1294 pilot projects would be managed sustainably and with multi-stakeholder input and environmental monitoring.

In Idaho, most of our counties are actively engaged in multi-interest collaborative discussions on federal lands management projects. In Idaho County we helped organize and have continuously participated in the nationally acclaimed Clearwater Basin Collaborative to address forest management opportunities on federal forest lands in our area. We would build on these relationships to solicit input to help shape management plans and projects for pilot projects authorized by H.R. 1294.

Our Clearwater Basin Collaborative Projects have also won support under the Collaborative Forest Restoration Act Program—competing against numerous collaborative projects nationally.

Pilot Project

To demonstrate the benefits of the Community Forest Trusts as envisioned by H.R. 1294, we have proposed a 200,000 acre Idaho pilot project be initially and immediately approved, located in management blocks throughout the forested region of the state. This is a small pilot including less than 1% of the 20 million acres of national forest land in Idaho. While it is unreasonable to expect a pilot of this small size to fully offset established levels of SRS transfer payments, it is sufficiently sized to prove and fine-tune the Community Forest Trust model and, once functioning, we believe has the potential to generate up to $15 million annually to offset federal SRS transfer payments to Idaho counties.

Boundary, Clearwater, Idaho, Shoshone, and Valley Counties

The counties we represent contain some of the largest percentages of federal forest lands in the country.

Table 1: National Forest Land by County

County	Total Acres by County	USDA Forest Service Acres	USDA Forest Service Acreage Ownership
Boundary	812,032	490,803	60%
Clearwater	1,575,424	801,599	51%
Idaho	5,430,528	4,431,561	82%
Shoshone	1,685,760	1,200,577	71%
Valley	2,654,048	2,037,245	77%

The Secure Rural Schools and Self Determination Act program is an essential component of our county budgets for roads and schools.

Table 2: 2010 Secure Rural Schools Act- Highway Funding by County

County	Funding Amount	Funding Percentage
Boundary	$1,107,050	100%
Clearwater	$959,373	89%
Idaho	$5,475,081	98%
Shoshone	$1,872,786	100%
Valley	$1,336,272	100%

Face the challenges of all rural America with declining economies, employment opportunities, and populations living below national standards. Particularly acute in counties with extensive federal forest lands

Table 3: Unemployment Data by County – Number of People

County	Unemployment, June 2010	Percentage Unemployed, June 2010	Unemployment, May 2011	Percentage Unemployed, May 2011
Boundary	772	16.7%	742	14.7%
Clearwater	601	16.7%	578	17.4%
Idaho	905	12.0%	870	11.8%
Shoshone	1,025	16.3%	931	15.2%
Valley	837	17.3%	742	17.0%

Conclusion

Thank you for the opportunity to testify. We urge this Committee quickly approve H.R. 1294.

Mr. BISHOP. Thank you, I appreciate your testimony.

Director Maisch.

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

Mr. MAISCH. Yes, thank you. Can I have the title slide up, please?

Good morning, Mr. Chairman. My name is Chris Maisch, and I am the Alaska State Forester and Division Director for the Alaska Division of Forestry. On behalf of the Governor of Alaska, thank you for the opportunity to submit written and public testimony.

I would like to begin my testimony by discussing a concept we believe is essential to considering legislation of this nature.

Next slide. The State of Alaska embraces the concept of a working forest, which is further described as the utilization of forest resources to create jobs and healthy communities through active forest management.

Next slide. The healthy environment should support a strong social structure, which will, in turn, support a robust economy. The State of Alaska and others use the phrase "triple bottom line"—next slide—to reference this relationship, which is also described as sustainability. When any one of these elements is emphasized disproportionately, the other elements suffer in measures of quantity and quality.

Next slide. Unfortunately, in Alaska, and other parts of the Nation, an unbalanced relationship between the three bottom lines is causing major challenges for State and local governments and communities. Federal policy on national forest system lands has shifted away from the working forest concept to disproportionately embrace a protection-oriented approach.

Next slide. Graphically, this diagram represents what has happened to acreage available for timber management on the Tongass. The arrows proportionately show how acreage has been reduced for a variety of reasons. The dark green band represents the Tongass at 16.7 million acres. The take-home point is the small black and green column at the bottom of the graphic only represents 672,000 acres of land for timber management.

Next slide. This graph demonstrates the decline of timber sale volume from 1996 to 2012 on Federal lands, with the State volume increasing slowly over the same period of time from a land base of only 50,000 acres.

Next slide. Alaska Timber Jobs Task Force was convened by Governor Parnell in 2011 with Administrative Order 258, which established the Alaska Timber Jobs Task Force to recommend ways to revive Alaska's timber industry. The Task Force gathered information from numerous State and Federal agencies to capture the social implications of industry decline, and utilize measures of regional population and school enrollment.

Twenty-four of 34 southeast communities, 71 percent, have lost population. Schools are the leading indicator of community health. In total, there has been a 15 percent decline in southeast student enrollment since 1990. And, more compelling, during the past 20 years, six communities have had to close their schools.

Recent news from the Forest Service concerning the Secure Rural Schools payment and sequestration is an unwelcome development, and underscores the need for a better approach for funding school districts dependent on this income. H.R. 1294 outlines a solid process for establishing a more consistent funding approach, while meeting the objectives outlined above.

I offer the following observations concerning the benefits of State management, as opposed to Federal. In 1989, the Alaska Forest Resources and Practices Act was established, and governs forest practice on State, municipal, and private lands. The Act uses enforceable BMPs to protect fish habitat and water quality, and addresses other practices. Lands designated as State forest are managed per State forest purposes, as defined in Alaska statute. The statute states, "The primary purpose is the establishment of State forest as timber management that provides for the production, utilization, and replenishment of timber resources, while allowing other beneficial uses of public land and resources."

In contrast, Federal lands have numerous conditions and guidelines that prevent the Forest Service from generating significant revenue from forest management activities. The new 2012 national planning rule and the National Forest Management Act present significant hurdles to revenue production as a key objective for these lands. These conditions and numerous others complicate the timber sale process for the Forest Service and often result in below-cost sales or sales that are only marginally economic. Here, State management would offer clear advantages.

The State of Alaska also supports the concept of Restoring Healthy Forests for Healthy Communities Act, as it could significantly increase timber harvests on national forests. Additionally, the State of Alaska would concur with the specific recommendations in H.R. 818 concerning Good Neighbor and stewardship con-

tracting authorities. The National Association of State Foresters is also on record with support for these concepts.

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

Thank you again for the opportunity to discuss Federal forest management.

One last point I would like to make is one of the key recommendations from the Alaska Timber Jobs Task Force was for the establishment of a 2-million-acre State forest in Southeast Alaska, which would entail a transfer of Federal lands. The Task Force made four recommendations on how that should occur. And if you have questions, I would be happy to go into detail on that for you.

Mr. Chairman, this concludes my testimony, and I would be happy to address any questions.

[The prepared statement of Mr. Maisch follows:]

Statement of John "Chris" Maisch, C.F., State Forester and Division Director, Department of Natural Resources, Division of Forestry, on Behalf of State of Alaska

Good morning, Mr. Chairman, Ranking Member Mr. Grijalva, Mr. Young, and Members of the Subcommittee. My name is Chris Maisch and I am the Alaska State Forester and Division Director for the Alaska Department of Natural Resources, Division of Forestry. On behalf of the Governor of Alaska, thank you for the opportunity to submit written and public testimony to the House Committee on Natural Resources regarding the Self-Sufficient Community Lands Act (H.R. 1294) and other related legislation. We appreciate your attention to the important economic and environmental issue of national forest management. Modern forestry is the greenest of green industries and yet communities located in and near national forests are desperate for the restoration of green jobs that could result from proper stewardship of our nation's unmatched forest endowment.

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

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

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

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

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

Nearly six million acres are managed as wilderness in the Tongass. That is more wilderness acres than the Forest Service manages in Arizona, Florida, Nevada, New Hampshire, Pennsylvania and Oregon combined (4.8 million acres).

The limitations mentioned, in combination with an unwieldy U.S. Forest Service policy, have led to a precipitous decline in timber volume offered for sale. At the same time logging and wood products employment remains a mere shadow of its past, falling from 4,600 jobs in 1990 to approximately 307 logging jobs and 150 wood products manufacturing jobs in 2011. Annual payroll lost since 1990 is well over $100 million. Payroll in recent years has fallen to approximately $21 million for the logging and the forest products manufacturing sector.[2] Conditions have continued to deteriorate since 2011 and the Southeast Alaska timber industry has nearly collapsed. The few jobs left are attributable to forest management activities by landowners such as the Sealaska Corporation and the State of Alaska. Since 2007, what remains of the timber industry in Southeast Alaska has lived from timber sale to timber sale.

Alaska Timber Jobs Task Force

In 2011, Governor Parnell issued Administrative Order 258 which established the Alaska Timber Jobs Task Force to recommend ways to revive Alaska's timber industry. The task force was a combined federal, state, private industry, and community group appointed by Governor Parnell. The Governor charged the task force with considering and attempting to address a number of specific tasks, several of which were directly related to timber management on federal lands and the need to utilize these renewable resources to benefit local, regional and national public interests. The final report from the task force was completed in 2012.[3]

The task force gathered information from numerous state and federal agencies to capture the social implications of developments in the Southeast timber industry. The task force found the decline in Southeast Alaska's timber industry impacted social measures, such as regional population and school enrollment. Statistics from the 2010 U.S. Census show that total population has declined by 5% over the past decade. Furthermore, 24 out of 34 Southeast communities (71%) have lost population ranging from −2 percent (Hydaburg) to −57 percent (Point Baker).[4] The Southeast region of Alaska, dominated by the Tongass forest, is the only region to lose population during the last two censuses.

Schools are the leading indicator of community health. The Task Force found that while "[n]early all (31 of 34) Southeast communities have had a public community school at one point in time . . . the majority of communities have experienced enrollment declines over two decades. In total, there has been a 15 percent decline in Southeast student enrollment since 1990. During the past 20 years, six communities (19%) have seen their school close (one school has since reopened in Kasaan). Of the 31 communities with schools, the majority (87%) have experienced a declining student enrollment sustained over nearly two decades; only (10%) have increasing school enrollments."[5]

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

Recent news from the USFS concerning Secure Rural Schools payments and sequestration could exacerbate an already troubling situation. The State and school districts have received an invoice for $826,331 as a result of the 5.1 percent cut in funding in our Title I–III allocations.[6] This unwelcome development underscores the need for a better approach to funding school districts dependent on this income.

Despite these grim realities, the region is fighting to survive and reinvent itself. Federal legislation could help make this possible.

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[2] Alaska Department of Labor.

[3] Available at http://forestry.alaska.gov/pdfs/timber_jobs_task_force_report_final.pdf.

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

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

[6] USDA Forest Service Correspondence, March 19, 2013.

Self-Sufficent Community Lands Act (H.R. 1294)

H.R. 1294 outlines a solid process for establishing a more consistent funding approach, while meeting the objectives outlined above. I offer the following observations concerning the benefits of a state-managed community forest demonstration area in comparison to the current form of management.

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

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

In contrast, federal lands have numerous conditions and guidelines that prevent the USFS from generating significant revenue from forest management activities. The new 2012 National Planning Rule includes language that states: "the plan must provide for ecosystem services and multiple uses . . ." and contains additional language concerning integrated resource management planning that must address a long list of criteria, which in part include: aesthetic values, air quality, ecosystem services, habitat connectivity, scenery, view sheds, wilderness and other relevant resources and uses.[7] The National Forest Management Act (NFMA) also includes a section to "insure that timber will be harvested from the National Forest System lands only where the harvesting system to be used is not selected primarily because it will give the greatest dollar return or the greatest unit output of timber."[8]

These conditions and numerous others complicate the timber sale process for the USFS and often result in below cost sales or sales that are only marginally economic. Here, state management would offer clear advantages. The State public process is less cumbersome which allows prompt reaction to market changes and the ability to offer long term timber sales up to 20 years or longer, which would encourage the investment of private capital and manufacturing facilities.

Restoring Healthy Forests for Healthy Communities Act, Healthy Forest Management and Wildfire Prevention Act (H.R. 818), and Other Matters

The State of Alaska also supports the concept of the Restoring Healthy Forests for Healthy Communities Act, as it could significantly increase timber harvests on national forests. Additionally, the State of Alaska would concur with specific recommendations in H.R. 818 concerning "Good Neighbor "(Sec. 8.) and Stewardship Contracting (Sec. 9.) authorities. The National Association of State Foresters is also on the record with support for these concepts. (See attached correspondence).

Finally, the State of Alaska supports an equitable resolution of the Sealaska Corporation's land entitlement under the Alaska Native Claims Settlement Act and a proposed land exchange between the Alaska Mental Health Trust and the U.S. Forest Service. Resolving these issues is important to balancing the triple bottom line of Southeast Alaska.

Conclusion

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

Despite more than 50 years of timber harvest in the Tongass, a mere 2.5 percent of the old growth forest has been harvested. The Tongass alone is roughly half the size of Pennsylvania and Massachusetts combined, yet today, more commercial har-

[7] 36 CFR 219 Subpart A-National Forest System Land Management Planning (2012 National Planning Rule) § 219.10 Multiple use (a) (1).

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

vest occurs in those states than in all of Alaska. By allowing another 4.5 percent of old growth to be harvested in the Tongass over the next 80 years, hundreds of jobs—the equivalent of an auto factory—would be created and sustained forever—the ultimate green industry.

Thank you again for the opportunity to discuss federal forest management. I urge you to act on these important pieces of legislation. Mr. Chairman, this concludes my testimony and I would be happy to address any questions the Committee may have.

Response to Questions Submitted for the Record by John "Chris" Maisch, State Forester Alaska

I appreciate your questions considering employment numbers in other segments of the Southeast Alaska economy. While the Timber Task Forces process was focused on the plight of the timber industry in southeast, the triple bottom line concept discussed in my testimony speaks to the need of having a diversified economy across many sectors to ensure communities and residents are not dependent on a single sector. The concept also embraces the need of a balance between the environmental, social and economic aspects of communities to encourage sustainability.

While I can't corroborate the specific numbers you cited, I did do some research to document employment and fiscal contributions of these two sectors. I relied heavily on a report produced by the Alaska Department of Labor & Workforce Development for the fisheries information and excerpted freely from that document and used a report from Southeast Conference to help answer the tourism portion of your questions.

Alaska's fisheries are some of the most sustainable, best managed in the world. Commercial fishing is one of the largest private-sector industries in the state, including all seafood harvesting and processing. Many of the processing jobs available in the seafood industry are in remote locations, such as Dutch Harbor and Naknek, or on at-sea processors in the Bering Sea.

Thousands of visitors come to Alaska each year to enjoy world-class sort fishing and in the process contribute to the economy by supporting local business. Fishing also provides about 60 percent of subsistence foods taken each year by both Alaska Natives and non-Natives.

Harvesting is highly seasonal with employment distributed among the following fisheries in 2010: salmon (50.2 percent), halibut (20.1 percent), ground fish (8.1 percent), sablefish (7.4 percent), crab 5.4 percent), herring (4.9 percent) and miscellaneous shellfish (3.9 percent).

Average monthly fish harvesting employment had declined nearly every year since 2005 and in 2010, hit its lowest level since the data series was created. In 2010, there were 6,915 harvesters working each month on average, a decline of 2.4 percent from the previous year and down 7.6 percent from 2005.

It's important to note that declining average monthly employment is not necessarily an indicator of weakness in the industry. A better overall indicator of the harvesting industry's health is gross earnings, which grew modestly from 2005 to 2010.

More specifically, the Southeast region had the largest fish harvesting workforce in 2010, but gross earnings ranked third behind Southcentral and the Aleutians and Pribilof Islands. Harvesting employment grew by 146 workers, reaching 9,182. Southeast had a record year for gross earnings ($208 million), $49 million more than in 2005.[1]

The visitor industry (tourism) is an important component of the economy of southeast. More than a million visitors came to the region in 2011, with most (85 percent) on cruise ships. The volume of visitors attracted to the region has given rise to a rich variety of visitor focused businesses and when aggregated, the visitor industry is one of the region's largest private sector employers' accounting for 13 percent (6,000 jobs) of all employment in the region. This activity brings in $164 million in employment income.[2]

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[1] Alaska Economic Trends, November 2011, Volume 31, Number 11, Alaska Department of Labor & Workforce Development.

[2] Visitor Industry includes leisure and hospitality businesses with others that specifically comprise the industry in Southeast Alaska such as jewelry stores, tour operators, air transportation businesses etc. For more detail on other businesses included in this sector see, Southeast Alaska by the Numbers, 2012, page 7, Southeast Conference. www.seconference.org.

Mr. BISHOP. Thank you. I appreciate both of you coming here and testifying.

On this particular bill, Mr. Tipton, do you have questions on this one for these two witnesses?

Mr. TIPTON. Actually, I do have just one question. And I think that—let's see, I want to make sure I get the right one here with Mr. Maisch—is that correct?

Mr. MAISCH. That is correct.

Mr. TIPTON. You know, in your testimony you just noted that, with the three categories that you mentioned, that it is disproportionately tilting toward a protection-oriented approach that you had described. Would you describe your job as a State Forester to be able to protect the forests?

Mr. MAISCH. Yes. Our program does both wildland fire and forest management. So it is the same realm that the U.S. Forest Service has, in terms of their charge. And we do active management of our forest lands.

A good example would be best interest—I signed just last week for a biomass project near the community of Tok. It is in a location of the State that has a lot of wildland fire. About every decade this community is threatened by rather large fires. And the idea there is the electric utility company is going to put in a facility that will use biomass instead of diesel fuel for this community, which is off the grid. They are not tied into the electric grid.

At the same time, we are going to treat fuels that need to be treated right in the community. Currently it costs us $1,000 to $1,500 an acre to treat those fuels. And now we will actually be generating some revenue from the same areas we would have previously paid to have treated. So that is one example of some of the kinds of——

Mr. TIPTON. Would it be kind of a fair characterization of what I believe you are trying to say that a lock-down and lock-out approach, when it comes to responsibly treating these forests, is not appropriate, that we can better protect, actually, the environment and the overall health of our economies, our environment, and our communities by taking that active role?

Mr. MAISCH. That is correct, and that is that working-for-us concept, that by doing active management on these lands, all three of those elements I mentioned will benefit and not to the detriment of any of the others.

Mr. TIPTON. Great. Thank you. I yield back, Mr. Chairman.

Mr. BISHOP. Thank you. Mrs. Lummis, do you have questions?

Mrs. LUMMIS. Yes, thank you, Mr. Chairman. Question for Commissioner Brandt. I listened to your testimony and share very much your view of where you live and how the people who live there care more about it than anyone possibly could.

Do you have any advice for us, those of us who just are here day in and day out, trying to get that point across to people that here we are, 50 years down the road from the times when there were ill-advised clear-cuts and timber run amuck, and yet people, it seems back east, and Federal land managers, and perhaps some environmental groups try to conjure up those images of the middle of the 20th century, long since dead and gone, to raising concerns

that people who don't live—excuse me, the people who do live there somehow don't care.

And I am so frustrated. And you heard some of those frustrations this morning by people on this panel who just cannot, for the life of them, figure out why people who don't live in the places that we live think that those of us who live there would do things to the land and the air and the water that we live with, around, and love? I am to this day, I am baffled about it.

Do you have any insights that I don't have? Maybe I have been here in—breathing this air too long.

Mr. BRANDT. Thank you, Mr. Chairman and Congresswoman. I wish I did. It is just mind-boggling to me. Even in our collaborative groups—and I will probably have a discussion with those folks when I get back—but I am so frustrated at times. When you look at the conservation groups that participate in our collaborative group, they don't live there. We have a very radical environmental group that is called Friends of the Clearwater. They don't live on the Clearwater. I live on the Clearwater. They live in a college town, where they can make a good living. And they have great schools, because they have a tax base.

And so, I don't know what to really tell you there, other than, as Congressman DeFazio stated, it is time for a change. And I have gotten to the point to where I don't believe you can change it back here. I think you just have to hand authority over to us to manage it under our State Forest Management Practices Act.

Mrs. LUMMIS. Amen to that, and no further questions, Mr. Chairman.

Mr. BISHOP. Thank you. Mr. Labrador.

Mr. LABRADOR. Thank you, Mr. Chairman. Skip, Commissioner Brandt, thank you so much for being here. You have been a great defender of your county and of the State, and I appreciate everything you do for Idaho.

I don't know if you were here when I was questioning Mr. Tidwell. I think you share the respect that I share—that I have for him. I think you have a lot of respect for him. But I was really frustrated today, because he seemed to indicate that the community was supporting his management practices. And I don't know where he got that information from. Do you share with him that the community actually wants the Federal Government to be handing money to them, and that the community actually wants the Federal Government to be managing the lands, and they don't really want the State to manage these lands?

Mr. BRANDT. No, I do not. No.

Mr. LABRADOR. Can you explain what you feel about that, and how you felt today when you were listening to him?

Mr. BRANDT. Well, to a degree I felt sorry for Mr. Tidwell because, again, his hands and his folks, their hands are tied. A month doesn't go by that I don't talk to a Forest Service forester who is just quivering mad because they recognize that they have to get in there and have proper land management, but can't because of their top-down procedure and their need to study things to death.

It doesn't matter what it is, if you sit down and study something long enough, you are going to find a reason why you shouldn't do

it. And then, if you send out questionnaires to everybody and their dog, you are going to find a person somewhere in this Nation that doesn't think that you should pull that timber sale off, or whatever the restoration action is. And so it is very frustrating on our end. But I also see the frustration with several members of the Forest Service.

Mr. LABRADOR. Now, you participate in the collaborative process that he was describing. Do you share with him the—he seemed to always go back to that as that it was being very successful. Do you think it is as successful as he was characterizing it today?

Mr. BRANDT. Not as successful as he was characterizing it. The collaborative process has been successful in aspects that it has all the players—or most of the players—at the table and talking. But again, we can only do what Federal law allows the Forest Service to do, because they are our partner.

Mr. LABRADOR. OK. So last year in Idaho we had a record fire year. And the Federal Government expends more dollars to fight fires on Federal lands than on State-administered lands. Can you provide the Committee additional detail on why this is the case? Why would we be spending more money on Federal fires than State fires?

Mr. BRANDT. I have a very good friend who was a helicopter pilot for all the fire birds that go around and put out fires. And his best explanation was that his boss said, "There are two kinds of fires. There is coffee-and-bagel fire and beer-and-peanut fires." The coffee-and-bagel fires were the forest lands, where they would get up and they would have their opening status briefing, then they would have a safety meeting, and then they would have a strategy meeting, and the birds—the blades wouldn't turn until it was close to noon. Where if it was a fire on State land, or private land, those blades are turning 30 minutes before sunrise, and they would go out and put out the fire, and they would be drinking beer and eating peanuts at night, because it is all done.

Mr. LABRADOR. And I want to clarify the coffee-and-bagel fire was on Federal land.

Mr. BRANDT. Federal lands.

Mr. LABRADOR. OK.

Mr. BRANDT. While you are having those meetings——

Mr. LABRADOR. Yes.

Mr. BRANDT [continuing]. To have meetings.

Mr. LABRADOR. OK. Now, tell us why you support, then, the State management of lands, why you think it would be good to your county and, in essence, to the United States and the State of Idaho?

Mr. BRANDT. Well, I didn't bring that many notes with me. The core is, number one, environment. We will protect our environment better than the current regulations do. We will have an economy. We won't be coming back here and asking for the SRS and handouts as much. There is still the wilderness designation in those lands which will not be—have extraction on them.

But also, it is key to note how much the Federal Government has to pay to harvest timber where, on private land and State land, we make money off of those logs, rather than needing more appropriations to go in and treat.

Mr. LABRADOR. And do you, as a Commissioner, want to be waiting for——

Mr. BISHOP. Nothing personal, but we are over time.

Mr. LABRADOR. All right, thank you.

Mr. BISHOP. I am sorry. We will come back to another round if you really want it.

Mr. Grijalva, are you ready?

Mr. GRIJALVA. Yes.

Mr. BISHOP. OK.

Mr. GRIJALVA. Sorry. Thank you, Mr. Chairman. Commissioner Brandt, what is the status of efforts in the Idaho State Legislature to require the Federal Government to return title of Federal lands back to the State of Idaho? That is one question.

And the second part of it is do you support that legislative effort.

Mr. BRANDT. OK. First is what is the status?

Mr. GRIJALVA. Yes.

Mr. BRANDT. Yes. The legislature passed two resolutions, one to study the concept and the other to request that the public lands, minus national parks and wilderness, be deeded back to the State, as our founding fathers intended.

Do I support it? Absolutely. That is the end result of where this bill needs to bring us, because the bill before us is a pilot project to just prove that we can——

Mr. GRIJALVA. OK, I appreciate that.

Mr. BRANDT [continuing]. Manage.

Mr. GRIJALVA. Under my friend Congress Labrador's legislation, how would the Federal Government ensure that tribal treaty agreements and rights and the very important tribal consultation of government-to-government, how would they be respected under your end game, where Idaho has all of it?

Mr. BRANDT. The same as they are now. They are a partner with the State. And even in our current collaborative process——

Mr. GRIJALVA. No, I beg to disagree. Right now it is a government-to-government consultation with a constitutional Federal responsibility. I don't think you have that nexus in Idaho. Do you?

Mr. BRANDT. Technically, no. But we do.

Mr. GRIJALVA. How can you have both? How can you—I will be glad to yield, sir. Let me—yes.

Mr. BRANDT. Again, the Tribes are our partners. And we always work close with the tribal actions.

And I would note for the record that the Nez Perce Tribe, who—part of their Reservation is within my county—they manage their lands a heck of a lot better than the Federal Government does.

Mr. GRIJALVA. And that is their sovereign right to do that.

Mr. BRANDT. Absolutely.

Mr. GRIJALVA. That is why it is a government-to-government relationship with the Federal Government, as opposed to some other possible scenario that isn't protected by the Constitution.

I yield to my friend.

Mr. LABRADOR. Mr. Chairman, Member Grijalva, the legislation allows for the Tribes to keep that sovereignty that they have. We actually specifically drafted it that way to make sure that the Tribes would receive the same sovereignty that they have at this time under Federal law.

Mr. GRIJALVA. Reclaiming, well, I will pursue that discussion with your office so that I can get that clarification. It is kind of important. And the reason I raise the question is because tribal representatives at a national level asked very specifically what that did, in terms of the government-to-government relationship.

Mr. LABRADOR. If the gentleman would yield——

Mr. GRIJALVA. Surely.

Mr. LABRADOR. The legislation takes care of that, and I would love to have that discussion with you.

Mr. GRIJALVA. Thank you very much.

Mr. BISHOP. Let me just take a couple of moments here for a couple of questions. And first of all, to my friend, Representative Grijalva, this is based on a Utah statute as well, which does exempt both military lands and tribal lands. They are not covered as part of what would be given to the States.

I actually appreciate both of you and your testimony that you have given here. In fact, your answers to the other questions have basically covered everything I wanted to do. So let me ask one quick one.

So, Director, for the State of Alaska, where you are, does the State forest in Alaska still provide opportunities for recreation and multiple-use purposes?

Mr. MAISCH. Yes, certainly. Those are some of the other uses that are allowed and, in fact, encouraged in State forests. It is just that the primary purpose is timber management, just like in a park the primary purpose is protection of resources and recreation and in a wildlife refuge the primary purpose is habitat. So it is no different than other types of lands.

The State forest, in my opinion, is actually a more friendly place for many more multiple uses than some of those other types of designations.

Mr. BISHOP. Thank you. And both of you told why your lands are outperforming the Forest Service lands very clearly, as well as why your lands that you manage are actually in better health than the Federal lands that we have in that area.

So, let me just take it one step lower, Commissioner, and ask you if you believe the counties would be able to manage those lands as effectively as the State of Idaho could.

Mr. BRANDT. Individually not. But as a group of counties, yes. And as this legislation would do, it would put the other board that would oversee the management, similar to what the Land Board does in the State.

Mr. BISHOP. All right. I appreciate that. I realize the common concept back here is that only something on the Federal level can have the scope to look at the entire Nation and do things in a positive way. I don't necessarily agree with that, for obvious reasons.

Mr. Labrador, I know you had a couple of questions. I have 3 minutes of my time left. Would you like to finish that off for me?

Mr. LABRADOR. Actually, Mr. Chairman, I think I am done with my questions. Thank you very much.

Mr. BISHOP. Well, I will keep my 3 minutes, then. Thank you.

To you two—do you have any more?

Mr. GRIJALVA. No.

Mr. BISHOP. Any other questions?

[No response.]

Mr. BISHOP. To you two, I would ask you if you would just stay right there for a second as we go through the next bill, but I appreciate you coming up here, and I appreciate your testimony. And both oral and written was extremely precise.

Let me go now to H.R. 818, I believe. This is yours, Mr. Tipton, as well. We will go through with the testimony from our three witnesses. Same drill as before. Your written testimony is in the record. If you keep your oral testimony to 5 minutes or less, I would be very grateful.

Let's start with—it is Commissioner Martin, right, from Garfield County?

STATEMENT OF THE HON. JOHN MARTIN, COMMISSIONER, GARFIELD COUNTY, COLORADO

Mr. JOHN MARTIN. Thank you, Mr. Chairman, for recognizing me. Yes, I am John Martin. I am a County Commissioner from Garfield County, Colorado.

Mr. BISHOP. Can I interrupt you for just one second?

Mr. JOHN MARTIN. Yes.

Mr. BISHOP. I am sorry. I understand, Commissioner, that you have a flight you need to catch.

Mr. JOHN MARTIN. I do.

Mr. BISHOP. It will not be rude if you just walk away from us at any time.

[Laughter.]

Mr. JOHN MARTIN. Thank you, Mr. Chairman.

Mr. BISHOP. Thank you, OK. We will reset you to 5 minutes. Go ahead, Commissioner.

Mr. JOHN MARTIN. It does not offend me, either. Good luck on the flight.

And Garfield County is an area of about 2,900 square miles of Western Colorado. I have been a County Commissioner for 17 years. I have served as the Chairman of the Board for 15 of those years. I also serve as the Chair of the Colorado Public Lands Legislative Committee and in 2012 elected the first Vice President of the Western Interstate Region, a division of the National Association of Counties, which serves 14 States.

And then again, in my attempt to earn a living, I am an everyday farmer growing peaches, apricots, and apples in Western Colorado. But I would like to point out that before my political career started I was a police officer for nearly 25 years for the City of Glenwood Springs, which is the county seat of Garfield County. And, as you may surmise, I am here to support H.R. 818 for the following reasons.

It declares Bark Beetle epidemic, drought, and deterioration of our national forests as high-risk and—I should say and high-risk wildfires as immediate threats. It allows the Governor of the State to designate high-risk areas within the national forest and public lands within the State. It also allows designation of those high-risk areas by Federal agencies within the Forest Service and public lands. It promotes good-neighbor cooperation between Federal, Indian, and State governments. It allows the use of emergency hazardous fuels reduction programs in high-risk areas, supports the

request by the Colorado—I am sorry, by the National Association of Counties to extend the stewardship contracts from 10 years to 20 years.

The bill uses common sense, and encourages Federal agencies to work with Indian, State, and county governments, but most of all, businesses, which is the true key to success.

The bill supports a needed and new emerging forest restoration industry by supporting economic certainty so tools, manpower, and financial support can provide reduction of wildfire risks, reduction of hazardous fuels within our forests and public lands, which provide a safer area around our communities.

In closing, I would like to offer the following views. Federal land managers know the highest-risk areas around us. This bill gives them another tool to work with local communities to address those risks. Educating the public on defensible space continues to be a top priority, and should be not overlooked. In fact, in Colorado, citizens can be reimbursed by the State up to 50 percent of the cost of improving that defensible space.

The local use doctrine regarding public lands is extremely important to us. Nearly 70 percent of the lands in Garfield County are managed by the Federal agencies. Forest management practices are a crucial part of the picture. Vitality and strength of the Western United States is closely tied to the health of our public lands.

And the key questions when considering legislation, rule, or regulation by Garfield County is called REAL, R–E–A–L, a concept that it is responsive. That—is it truly required by State and Federal law? Was comprehensive data used to define the problem, and the desired outcome? Were experts who administer the affected program engaged? Efficiency, will it streamline or add layers of bureaucracy? Is it redundant or ineffective? Are current staffing levels significant to comply with the added responsibilities or requirements? And accountability. Are there measured outcomes to be achieved by this change? Is there adequate funding to pay for all the direct costs? Are there models in existence that may provide better outcome? And local, State, and Federal partnership. Have all local elected officials been consulted? Has there been collaboration between agencies? Does it limit flexibility to be responsive to the community needs?

Now, this bill answers these questions, and that is H.R. 818. And Garfield County supports H.R. 818 for the reasons that I have just stated above. But, most of all, it will address wildfire risk in and around our communities, and promote a needed forest restoration industry. And I thank you.

[The prepared statement of Mr. John Martin follows:]

Statement of The Honorable John Martin, County Commissioner, Garfield County, Colorado

Good day, Chairman and members of the Committee.

My name is John Martin.

I am a County Commissioner from Garfield County, Colorado, an area of 2,900 square miles in western Colorado.

I have been a Commissioner for 17 years.

I have served as the Chairman of our three member board for 15 years.

I also serve as Chair of the Colorado Counties Public Lands Legislative committee.

In 2012, I was elected as First Vice-Chair of the Western Interstate Region, a division of the National Association of Counties, which serves 14 Western States.

In my attempt to earn an income, I am an everyday farmer, growing peaches, apricots and apples in western Colorado.

I would like to also point out that before life in politics, I was a police officer for nearly 25 years in Glenwood Springs, the County seat of Garfield County.

I am here to speak in support of H.R. 818 for the following reasons:

The Bill H.R. 818 "Healthy Forest Management and Wildfire Prevention Act":

- Declares bark beetle epidemic, drought, deteriorating forest health and high risk wildfires as imminent threats.
- Allows The Governor of a State to designate high risk areas within National Forests and Public Lands within their State.
- Allows designation of high risk areas by Federal agencies within National Forests and Public Lands.
- Promotes good neighbor cooperation between Federal, Indian and State Governments.
- Allows the use of emergency hazardous fuels reduction projects in high risk areas.
- Supports the request by NACO to extend the Stewardship contracts from ten years to twenty.
- The bill uses common sense and encourages Federal Agencies to work with Indian, State and County governments but most of all, business, which is truly the key to success.

The Bill supports a needed and new emerging forest restoration industry by supplying economic certainty so tools, manpower, and financial support can provide reduction of wildfire risks, reduction of hazardous fuels within our forest and public lands which provide safer area around our communities.

In closing, I offer the following views:

- Federal land managers know the highest risk areas around us; This Bill gives them another tool in working with local communities to address those risks.
- Educating the Public on defensible space continues to be a top priority and should not be overlooked. In Colorado, citizens can be reimbursed by the State 50% of costs for improvements to defensible space.
- The local use doctrine regarding public land is extremely important to us. Nearly 70% of the lands in Garfield County are managed by Federal agencies. Forest management practices are a crucial part of the picture.
- The vitality and strength of the Western United States is closely tied to the health of our public lands.
- Key questions when considering legislation, rule or regulation used by Garfield County (REAL).

Responsive:

Is it required by state of federal law?
Was comprehensive data used to define the problem and desired outcome?
Were experts who administer the affected program engaged?

Efficient:

Will it streamline or add layers of bureaucracy?
Is it redundant or inefficient?
Are current staffing levels sufficient to comply with additional requirements?

Accountable:

Are there measurable outcomes to be achieved by this change?
Is there adequate funding to pay for all direct costs?
Are there models in existence that may provide better outcomes?

Local-State-Federal partnerships:

Have local elected officials been consulted?
Has there been collaboration between agencies?
Does it limit flexibility to be responsive to community needs?

This bill answers those above questions so,

The Garfield County Board of Commissioners supports this Bill to better the health of our Forests and Public Lands and address wildfire risk in and around our communities and promote a needed forest restoration industry.

Thank you.

Mr. BISHOP. Thank you. Thank you, Commissioner.

We will turn to the other Commissioner now, Commissioner Dozier also from Colorado. You have 5 minutes.

STATEMENT OF THE HON. CINDY DOZIER, COMMISSIONER, HINSDALE COUNTY, COLORADO

Ms. DOZIER. Good afternoon. I am Cindy Dozier, Commissioner from Hinsdale County, Colorado. I am honored to be here before you this afternoon to speak on behalf of House Resolution 818.

Hinsdale County is one of the most beautiful places anyone would ever want to visit. It is also considered the most remote county in the lower 48 with 96.5 percent public land, less than 1,000 full-time residents, and only 1 town and 1 school. We are very aware that the things that make our county wonderful for visitors and residents alike are the very things that can present challenges, challenges that come partly from being surrounded by forested land in our San Juan Mountain location.

The health of our forests, which we all so love to enjoy, is paramount in importance to all of us, both in the west and across America. Our area is the place where folks come to find great remoteness and beauty. Forest health impacts many areas of the health, safety, and welfare of our people, including our watershed, air quality, and tourism-based economy.

As you are aware, the State of Colorado and much of the western United States have been hit with severe drought conditions for several years. This, coupled with areas of extensive insect infestation and thick stands of forest overgrowth has created an environment ripe for intense wildfire activity. In fact, the summer of 2012 saw one of the worst fire seasons in recent memory.

Hinsdale County had the largest fires in its known history, the Little Sand Fire, which burned nearly 25,000 acres in Archuleta and Hinsdale Counties at a cost of $7.5 million. We, therefore, support proactive measures to address forest health and mitigate the dangers intense wildfires pose to human safety, property, infrastructure, wildlife habitat, and water and air quality.

Because we are primarily public land, the issues addressed in H.R. 818 are of extreme importance to us and, we think, to any other State or county with forested lands. Hinsdale County is a smaller picture of what is happening on a larger scale in forests all over the west.

H.R. 818 specifically identifies the issue at hand, and of great importance, vests actual authority to identify high-risk areas and initiate mitigation measures to the respective States, in coordination with county governments.

To those of us who locally are most able to recognize the risk, and with the most at stake should a wildfire erupt, I will refer you to a study requested by Senator Mark Udall published in 2011 on the Bark Beetle outbreak in Northern Colorado and Southern Wyoming. On pages 37 and 38 he says, "Expert local knowledge is needed to guide management," and that is in the appendix regarding fire risk and behavior.

We further appreciate the expedited procedures allowed for in H.R. 818 for emergency hazardous fuels reduction projects in identified high-risk areas, while we emphatically support due diligence in preparation for fuels reduction projects, risks to property, infra-

structure, irreplaceable historic and cultural sites, and life and limb, dictate a sense of urgency in mitigating nearby fuel load risk.

With common-sense measures and caution, especially high-risk areas can be protected in rapid fashion. It is the nature of the western United States climate to see cycles of ample precipitation and drought, and insect infestation will always be a part of that equation. We have been aware for a long time that the state of our forests' health was, in many areas, experiencing deterioration and a lack of diversity in tree age. This condition lends itself to large, intensive, and destructive wildfires, which we, unfortunately, have experienced recently.

When I visit around my county and nearby counties, I see beetle devastation in many areas. The headwaters of the great Rio Grande River are surrounded by standing dead conifers, nearly 100 percent in that particular valley. Dead trees do not hold water.

We all remember the terrible fires of 2002, the Hayman Fire and the Missionary Ridge Fire, especially. Predictions are that this year will be another very challenging year, as far as precipitation is concerned.

The repercussions of our poor forest health are with us right now. We urge you to act now. If H.R. 818 were to languish this year, I believe, based on last year's wildfire season, we could possibly see even more devastating consequences this year in our county and all over the west. Please do not let that happen.

It is our view that actions to combat the dangers posed by wildfires ought not to be reactive, but proactive. In that light, we view H.R. 818 as a valuable tool and much-needed step to address forest health and fire mitigation in both the short and long term. As a Hinsdale County Commissioner, I wish to express our full support of the bill. Please help give us the tools to do the right thing in our forests and for our people. Thank you very much.

[The prepared statement of Ms. Dozier follows:]

Statement of The Honorable Cindy Dozier, Commissioner, Hinsdale County, Colorado

Good morning. I am Cindy Dozier, Commissioner from Hinsdale County, Colorado. I'm honored to be here before you this morning to speak on behalf of House Resolution 818.

Hinsdale County is one of the most beautiful places anyone would ever want to visit.

It is also the most remote county in the lower 48 states. With 96.5% public land, less than 1,000 full-time residents, and only one town and one school, we are very aware that the things that make our county wonderful for visitors and residents alike, are the very things that can present challenges; challenges that come partly from being surrounded by forested land in our San Juan Mountain location.

The health of our forests, which we all so love to enjoy, is paramount in importance to all of us, both in the West and across America. Our area is the place where folks come to find great remoteness and beauty. Forest health impacts many areas of the health, safety and welfare of our people including our watershed, air quality and tourism-based economy.

As you are aware, the State of Colorado and much of the western United States have been hit with severe drought conditions for several years. This, coupled with areas of extensive insect infestation and thick stands of forest overgrowth, has created an environment ripe for intense wild fire activity. In fact, the summer of 2012 saw one of the worst fire seasons in recent memory. Hinsdale County had the largest wildfire in its known history, the Little Sand Fire, which burned nearly 25,000 acres in Archuleta and Hinsdale Counties at a cost of $7.5 million. We therefore support proactive measures to address forest health and mitigate the dangers in-

tense wild fires pose to human safety, property, infrastructure, wildlife habitat, and water and air quality.

Because we are primarily public land, the issues addressed in H.R. 818 are of extreme importance to us and, we think, to any other state or county with forested lands. Hinsdale County is a smaller picture of what is happening on a larger scale in forests all over the West.

H.R. 818 specifically identifies the issue at hand, and of great importance, vests actual authority to identify high risk areas and initiate mitigation measures to the respective states in coordination with county governments; to those of us locally who are most able to recognize the risk and with the most at stake should a wild fire erupt.

The bill also recognizes the importance of cooperative mitigation efforts, in the spirit of which it provides for Good Neighbor authorities wherein the federal government may contract with the states to carry out forest health restoration activities. We support this heavy local involvement.

The stewardship contracting time frame of up to 20 years allowed for in the bill is, in our view, a common sense measure fostering comprehensive, long term forest health projects.

In the past, many contractors have been reluctant to set up long term solutions for dealing with timber because of the uncertainty of supply.

We further appreciate the expedited procedures allowed for in H.R. 818 for emergency hazardous fuels reduction projects in identified high risk areas. While we emphatically support due diligence in preparation for fuels reduction projects, risks to property, infrastructure, irreplaceable historic and cultural sites, and life and limb dictate a sense of urgency in mitigating nearby fuel load risk. With common sense measures and caution, especially high risk areas can be protected in rapid fashion.

It is the nature of the western United States climate to see cycles of ample precipitation and drought, and insect infestation will always be a part of the equation. We have been aware for a long time that the state of our forests' health was, in many areas, experiencing some deterioration and a lack of diversity in tree age. This condition lends itself to large, intensive and destructive wild fires which we, unfortunately, have experienced recently.

When I visit around my county and nearby counties, I see beetle devastation in many areas. The headwaters of the great Rio Grande River are surrounded by standing dead conifers, nearly 100% in that particular valley. And dead trees don't hold water.

We all remember the terrible fires of 2002, the Hayman Fire and the Missionary Ridge Fire especially. Predictions are that this year will be another very challenging year as far as precipitation is concerned. The repercussions of our poor forest health are with us right now. We urge you to act NOW. If H.R. 818 were to languish this year, I believe, based on last year's wild fire season, that we could possibly see even more devastating consequences this year in our county and all over the West. Please do not let that happen!

It is our view that action to combat the dangers posed by wild fires ought not be reactive, but proactive. In that light, we view H.R. 818 as a valuable tool and much needed step to address forest health and fire mitigation in both the short and long term. As a Hinsdale County Commissioner, I wish to express our full support of the bill. Please help give us the tools to do the right thing in our forests and for our people.

Mr. TIPTON [presiding]. Thank you, Commissioner Dozier. And I would like to point out that the two Colorado testimonies here today were on time and ahead of time. So I appreciate that.

Mr. Sibold, to you, please.

STATEMENT OF JASON S. SIBOLD, PH.D., ASSISTANT PROFESSOR OF GEOGRAPHY, DEPARTMENT OF ANTHROPOLOGY, COLORADO STATE UNIVERSITY

Dr. SIBOLD. Thank you. Good afternoon, Chairman and Committee. My name is Jason Sibold. I am a forest scientist with 15 years of research experience in Lodge Pole Pine and Engelmann Spruce Forest in Colorado. My research is focused on fires, Bark Beetle outbreaks, and their interactions.

I am an Assistant Professor at Colorado State University in Fort Collins. My objective today is to assess forest management policies in H.R. 818 in the context of the best available science.

To help illustrate the scientific conclusions on the influence of Bark Beetles and fire, I would like to show a few maps of the recent Bark Beetle outbreaks, and three recent fire events.

The first map up on the screen here just shows an overview of the Bark Beetle outbreaks from 1996 to 2012 in Colorado. This is a big deal, this is a lot of area. This is about 20 percent of our forested land in the State.

The next map shows this same overview of 1996 to 2012 Bark Beetle-affected stands, but it also includes fires from the 2012 fire season, which are the red areas. So the brown areas are beetle, green areas are live forest, unaffected by beetle, and those red patches are fires from the 2012 fire season. The 2012 fire season was a large fire season, about 250,000 forested acres burned in the season.

In the upper right-hand corner you can see a national-scale map of drought conditions. And if you look at Colorado, you can see that that dark red and kind of purple color indicates that we were experiencing high-severity drought. In this map I would like to point out two large, high-severity fires that were also highly destructive. The first is the High Park Fire to the west of Fort Collins in the north-central part of the State and the other is the Waldo Canyon Fire, just to the west of Colorado Springs.

One interesting thing about these two fires is that the High Park Fire burned in about 50 percent affected stands from Bark Beetles. In contrast, the Waldo Canyon Fire burned in a forest that generally did not have Bark Beetle outbreak. This fact that the Waldo Canyon Fire did not burn in Bark Beetle-affected forests indicates that Bark Beetles are not a necessary ingredient for wildfires. In contrast, this is indicating that drought is the common thread to these wildfires.

In the next map we see the same situation, Bark Beetle outbreaks through the year 2011 and fires in the year 2011. And once again, in the upper right-hand corner you see drought conditions for June 2011 and only southern and southeastern Colorado is in that kind of red, extreme drought or severe drought situation.

Interestingly, we had a very similar Bark Beetle situation as we had in 2012, but the fires did not occur in the Bark Beetle-affected forests. Instead, the fires occurred in areas without any Bark Beetles in the areas that actually had drought in the southeast, once again suggesting that drought and not Bark Beetles is the common thread and/or driver of fire risk in these forests.

The next map shows the high-severity 2002 fire season. Actually, twice as much area burned in 2002 as in 2012. Once again, the drought severity map in the upper right-hand corner indicating that there is high-severity drought in Colorado in the summer of 2002. In contrast to 2012, though, we did not have extensive Bark Beetle outbreaks. So this is indicating that drought in all three of these situations is driving these wildfires not necessarily Bark Beetle-influenced fuels.

So, in that context, this would suggest that forest-thinning projects, and landscape-scales in particular, far from communities

would not be likely to have the desired goal of reducing fire risk. The next map shows just the initial fire, where it started, the beetle outbreak extent over the State from 1996 through 2012.

And if a second objective of H.R. 818 is to reduce the probability of future outbreaks like this, one of the really complex aspects of these outbreaks, while forest thinning would increase host vigor, tree vigor, and reduce that drought stress, we have these outbreaks that pop up all over the landscape. So treating the entire landscape of Colorado would be required. It seems a little like a challenging task.

So, my take-home is that the best-available science does not demonstrate that widespread landscape-scale forest thinning is really going to reduce fire risk or future Bark Beetle outbreaks. We would be much better off focusing these efforts really close to communities, these fire-wise efforts that we have heard people talk about focusing in these areas. Thanks for your time.

[The prepared statement of Mr. Sibold follows:]

Statement of Dr. Jason S. Sibold, Assistant Professor, Colorado State University on the Healthy Forest Management and Wildfire Prevention Act (H.R. 818)

Good morning Chairman Hastings, Chairman Bishop, Representative Grijalva, Representative Markey, members of the Committee. My name is Dr. Jason Sibold. I have been conducting forest ecology research in Colorado for 15 years, as a graduate research assistant at the University of Colorado and now as a professor at Colorado State University. My research is focused on wildfires and bark beetle outbreaks in subalpine forests that primarily consist of lodgepole pine and Engelmann spruce forests, which represent the vast majority of area affected by the ongoing mountain pine beetle and spruce bark beetle outbreaks in Colorado. My testimony today presents information from a variety of sources in the scientific literature focused on lodgepole pine and Engelmann spruce forest types in the Rocky Mountains. My goal is to summarize the best available science to evaluate the likely effectiveness of policies proposed in the "Healthy Forest Management and Wildfire Prevention Act" (H.R. 818) to reduce fire risk and mitigate future bark beetle outbreaks.

The key points that I would like to leave you with are these: Wildfire risk in subalpine forests is extremely high during severe drought conditions with or without bark beetle outbreaks. Forest thinning projects would not be expected to reduce fire risk or mitigate against the likelihood of future bark beetle outbreaks in these forests. A forest thinning policy with the goal of reducing fire risk following bark beetle outbreaks would be moving into unknown territory, which means that both the normal review process and monitoring for effectiveness are essential.

1) What is the threat of wildfire?

One of the central goals of H.R. 818 is to decrease the perceived elevated risk of wildfire to mountain communities as a result of recent and ongoing bark beetle outbreaks. The proposed solution to decreasing fire risk is to thin tree densities in beetle affected stands. This prescription assumes that fuels and/or fuel structure changes resulting from bark beetle outbreaks increases fire risk. Overall, the occurrence of forest fires in all forest systems is the result of the interplay between weather and fuels and in some forest types reducing fuel accumulation can significantly reduce fire risk. For instance, in forests such as Southwest ponderosa pine where summer season weather conditions are frequently hot and dry, the amount and connectivity of fuels is often more limiting to wildfires than climate conditions. In such a scenario, reducing fuel accumulation can decrease fire risk. In contrast, in forest types where fuels are abundant but often too wet to burn, fire occurrence can be considered as limited by weather conditions. In general, forest types where fire occurrence is limited by normally cool, wet climate typically experience fire less frequently, tend to have naturally dense stands and abundant fuel, and when fires occur they tend to be large and catastrophic. In other words, fire risk is dictated by climate and weather and risk is extremely high during severe droughts.

Subalpine forests of lodgepole pine and Engelmann spruce, which are the focus of H.R. 818, fall into the weather-limited category where tree-thinning prescriptions would not be expected to significantly decrease fire risk. More specifically, fires in

subalpine forest are naturally large, catastrophic, and relatively infrequent. Long periods between fires, from 100–300 years or longer, and the ecology of subalpine species create naturally dense stands with abundant live and dead fuels. As a result, fire occurrence in these forest types is not limited by inadequate amounts of fuel. In contrast, average climate conditions, which are characterized by snowpack that often persists well into spring and short cool summers, mean that extreme drought is required to sufficiently dry fuels to the point that wildfires are possible.

The importance of drought as a central driver of wildfires in subalpine forests is strongly supported by numerous studies across the Rocky Mountains. Research comparing tree-ring records of fires and climate that span the last few centuries clearly demonstrates that for at least the last few centuries, infrequent extreme drought conditions created years with large, high-severity fires. A study comparing recorded fires with climate for western North America over the last several decades also implicates climate conditions and more specifically fire season length as central to the number of large fires and area burned in a given year. In the Rockies, the timing of spring snowmelt is a critical factor in determining fire season length and is clearly applicable to large areas burned in Colorado in 2002 and 2012, which both had abnormally low spring snowpack and early melt dates. In contrast, the record deep snowpack of 2011 set the stage for an almost non-existent fire season.

2) Have bark beetle outbreaks increased fire risk?

Even though the big picture overview of wildfire in subalpine forests indicates that in the absence of bark beetle outbreaks fire risk is extremely high when drought conditions exist, it is still logical to ask if abundant beetle-killed trees might elevate this already high fire risk. While bark beetle outbreaks do not increase the amount of fuel, they do influence fuels in three ways, 1) green needles change to red and grey needles in the canopy in the two to four years after the initiation of an outbreak and then fall to the forest floor, 2) fuels in the forest canopy decrease and canopy openings develop, and 3) the amount of fuel on the forest floor increases. Researchers have investigated the influence of these fuel changes on fire risk primarily in two ways: measuring fuel changes at different stages of bark beetle outbreaks to use in fire simulation models, and observational studies looking at actual patterns of fire following bark beetle outbreaks.

Research using fire simulations for various stages of mountain pine beetle outbreaks in lodgepole pine forests are in agreement for early stages of outbreaks, but there are still significant questions for later stages of outbreaks and in the years to decades following outbreaks. Studies agree that red needles have lower fuel moisture levels than green needles under similar weather conditions. As a result, fire risk is potentially elevated in the early stages of an outbreak while red needles are still present in the forest canopy. After needles turn grey and start to fall and more fuel moves from the canopy to the forest floor, identifying implications for fire are more complicated. While there is agreement that more fuels on the forest floor will increase fire intensity at the ground level, there is disagreement with respect to if this will increase or decrease the likelihood of fire spread from the forest floor to the forest canopy. Most studies suggest that decreased canopy fuels and open canopies will offset the increased intensity of surface fires and significantly decrease the likelihood of fire spread to the canopy for as long as several decades following beetle outbreaks. In contrast, one study, which used a different modeling approach, concludes that fire spread to the canopy will actually increase in post-beetle forests as compared to stands not affected by beetles. The fact that these studies can come to significantly different results even though similar fuel measurements were used in model runs demonstrates that model results on the interaction of beetle outbreaks with fire are largely the result of model assumptions. At this time it is not clear which modeling approach is a better representation of real world outbreak-fire interactions.

In contrast to models, observational studies are based on documenting actual fire occurrence in forested areas with and without bark beetle outbreaks and as such their results are not contingent on model assumptions. Observational studies do not support the notion that bark beetle outbreaks increase fire risk even in the initial stages of outbreaks. Only two studies indicate that the probability of fire may increase slightly with increasing time from the outbreak, although the observed increases could have been related to factors other than outbreak influences of fuels. Furthermore, many observational studies stress the greater importance of other variables such as topography and drought on fire.

3) What are the policy implications for decreasing fire risk?

In sum, the scientific evidence does not suggest that fire risk has increased as a result of recent and ongoing bark beetle outbreaks. In contrast, the vast majority

of evidence suggests that bark beetle outbreaks have either no influence on fire risk or potentially decrease fire risk, and that weather (drought) is the dominate influence on fire risk in these forests. The extensive, high-severity fires of 2002 and 2012 in Colorado that were coincident with two of the most extreme drought years in Colorado's recorded history clearly illustrate the importance of drought over fuels as the driver of destructive wildfires. Unfortunately, wildfires in years of severe drought are not only extremely difficult and hazardous to fight but they are also not the type of events that we can mitigate against by thinning forests. As a result, forest thinning throughout the landscape, much less in remote roadless areas far from communities, would not be expected to decrease fire risk to communities. On the other hand, significant gains would be expected from policies that focus on reducing fire hazard through fuel removal close to communities, following established "defensible space" guidelines such as removing fuels within a minimum of 100 feet adjacent to structures, and replacing flammable building materials such as wooden shingles with metal roofs.

4) Can forest thinning mitigate the risk of bark beetle outbreaks?

The second goal of H.R. 818 is to mitigate the risk of future bark beetle outbreaks through forest thinning projects in stands where the risk of outbreaks is perceived as high. The development of mountain pine beetle outbreaks in lodgepole pine forests and spruce beetle outbreaks in Engelmann spruce forests is relatively complex but in general they can be attributed to prolonged drought conditions. Specifically, drought conditions stress trees and decrease their ability to resist beetle attack, and warmer conditions directly facilitate beetle population development though faster life cycles and higher over-winter survival. In the initiation of bark beetle outbreaks, increased tree vigor (decreased stress) can keep beetle populations in check and stop the development of an outbreak. However, once an outbreak has developed, beetle populations can overwhelm healthy vigorous trees. Thus, outbreaks have the ability to expand across the landscape irrespective of tree vigor and will likely continue until exhausting host trees or an extreme cold period kills off populations. There is little doubt that the ongoing extensive, high-severity mountain pine beetle and spruce beetle outbreaks in Colorado are primarily the result of the frequent severe drought conditions in the state over the last 12 years.

Given the influence of tree stress on the development and spread of bark beetle outbreaks it is highly unlikely that forest-thinning projects would be able to mitigate the risk of future outbreaks. While in some cases forest thinning increases tree vigor and would be expected to constrain beetle outbreaks, this would only be possible if thinning projects were carried out in the exact location of beetle population development. Because outbreaks generally develop in many locations across the landscape synchronously and many of these locations would be expected to be in areas that are not covered by this legislation (national parks, monuments and wilderness areas), it is not reasonable to believe that forest thinning could mitigate against the likelihood of future beetle outbreaks. Moreover, thinning projects would not be expected to stop an outbreak once populations are at epidemic levels.

5) Conclusion

Rocky Mountain subalpine forests of lodgepole pine and Engelmann spruce have experienced over a decade of extensive mountain pine beetle and spruce beetle outbreaks in addition to many large, destructive fires, which has raised questions and concerns about the potential role of outbreaks on elevating fire risk. However, the best available science suggests that the frequent severe drought conditions over this period are the reason for both the beetle outbreaks and fires. In other words, fire risk is extreme in these forests whenever severe drought conditions prevail regardless of recent bark beetle activity. Consequently, forest-thinning projects in beetle-affected stands would not be expected to decrease fire risk to communities. Moreover, it is unlikely that forest-thinning projects would stop the development or spread of future bark beetle outbreaks. In contrast, forest-thinning projects could result in several unintended consequences. The consequences of greatest concern for forests include: killing seedlings and saplings in beetle-affected stands that are critical components of forest recovery, and increasing the likelihood of wind toppling remaining trees, which often acts as a catalyst for the development of bark beetle outbreaks in these systems. Furthermore, the normal review process and long-term monitoring to investigate treatment effectiveness should be considered essential components of these projects because: 1) the high degree of variation in tree density, fuel conditions, outbreak severity and topography implies that prescriptions would need to be site specific, and 2) we have never attempted to use large-scale thinning projects to minimize the fire risk following bark beetle outbreaks, thus they are highly experimental in contrast to routine.

Mr. TIPTON. Thank you, Mr. Sibold. I apologize for mispronouncing your name to begin with.

Dr. SIBOLD. No problem.

Mr. TIPTON. So at this time I would like to yield to the Ranking Member, Mr. Grijalva, for his questions.

Mr. GRIJALVA. Thank you, Mr. Chairman. Mr. Sibold, first of all, let me thank you for making the trip here to D.C. from your home in Colorado. I know that Congressman Polis was happy to have your research shared with this Committee. And thank you for being here.

And you mentioned that the discussion seems to focus about the Beetle infestation and that being the cause, or the correlation or connection. But how do you think we balanced the—I think the human impulse to do something with some scientific uncertainty on landscape efforts that are being authorized by my colleague's legislation, when it is human nature, you see an area that has been clear-cut, you see an area that is infested, and you want to say, "Oh, we have to do something about it, and that becomes the human impulse. But there is scientific uncertainty, as you pointed out. How do you balance that impulse with the kind of authorization we are having here to do something on a landscape-scale?

Dr. SIBOLD. I am not an expert on policy and how you would balance these things out. But it seems as though, if you do want to move forward with these types of policies, even though the science may suggest that it might not accomplish what your overall objectives and goals are, is that if you are going to move forward with something like that, you most certainly provide or include a range of perspectives, do careful planning, and I would really stress clear monitoring to find out, hey, are we achieving our goals? Maybe we have some test cases.

It was mentioned earlier that there are some forest-thinning projects that have great success. These are mostly at lower-elevation forests. And I know the project that was referred to earlier close to Pagosa Springs was a successful project. But these Bark Beetles are at higher elevations.

I think the other thing I would stress is that you need to think about these—any sorts of treatments in the context of these trade-offs, that we get what we are looking for, number one. Number two, are there any indirect side-effects, unintended consequences of these treatments? And if we go in and we do extensive thinning, we also have to think about what is going to happen to our future forests, that there are a lot of seedlings and saplings out there right now. They are our future forest. And that would be one of the concerns, in terms of any sorts of treatments. So there are these trade-offs.

I am a scientist, I will try to stick to the science and not weigh in on what direction you all should go.

Mr. GRIJALVA. Science and fact-based decision-making hasn't always been the rule, in terms of legislation.

Let me ask you. What trends are you starting to see, other than the types of beetles in the State? And is this getting the same kind of attention that it should?

Dr. SIBOLD. With current trends with beetles?

Mr. GRIJALVA. Yes.

Dr. SIBOLD. We see the Mountain Pine Beetle outbreak really dying down at this point in time, although it is spreading into some lower elevation Ponderosa Pine forests. I have been mostly talking about higher-elevation Lodge Pole and Spruce Fir. The Spruce Beetle outbreak continues to expand dramatically across the State in the southwest.

In the San Juans we see it spreading to the San Cristos in the south-central part of the State. We have had some extensive blow-downs potentially from insect outbreaks that, as the forest becomes thinned, it becomes more susceptible to blow-downs. And this actually can dramatically ramp up these beetle populations. So, unfortunately, without some unforeseen severe cold snap or them, the beetles, running out of fuel, I foresee this continuing.

We also have a Douglas Fir Bark Beetle that appears to be kind of ramping up in some areas.

Mr. GRIJALVA. And those are the trends that should be getting our attention at this point.

Dr. SIBOLD. Yes, at this point in time. Once these outbreaks get going, we are not in a situation where we can get out ahead and thin these forests, and that we can reduce their impact. Once their populations are as high as they are, they are just overwhelming trees. We even see in the San Juan Mountains of Southwest Colorado, where I have a lot of research going on, they are overwhelming, very small-diameter trees that, in theory, should not be susceptible to these Bark Beetles, that there are just so many of them out there that forest dress is not a part of the equation any more.

Mr. GRIJALVA. I appreciate your testimony, Doctor. Thank you, I yield back.

Mr. TIPTON. Well, thank you. And again, I would like to be able to thank the two commissioners out of my district for making the trip back to Washington. I am sure you pretty much, like me, left in a snowstorm and came to 80-degree weather. So a little bit of a change.

And I would like to be able to start with Commissioner Dozier, if I may. Could you describe how many acres of land that you manage that is separate but adjacent to Federally managed lands?

Ms. DOZIER. Sure. Basically, our county is about 3.5 percent private land. So, of our approximately little under 720,000 acres, 96.5 percent of that is Federal, the rest is adjacent to Federal, because you can't get away from being surrounded by it.

Mr. TIPTON. Right. Well, given the small, rural make-up of Hinsdale County, what level of funding does Hinsdale County receive annually, relative to the cost imposed by a destructive wildfire?

Ms. DOZIER. The entire budget of Hinsdale, being as small as we are, is just a little over $4.5 million a year. The fire, the Little Sand Fire last year, cost 7.5 million. That was on forest land, so it didn't impact us in the way that we had to finance the fire itself, and the fighting of it, even though we were intimately involved in the decisions and what was going on with that.

Where our folks—ranchers and such—had expenses that they just bore themselves: moving cattle, moving horses, evacuating the area, and then having to come back in at a later time. So, as far

as our county fighting it, we simply don't have funds for fighting a major catastrophic wildfire.

Mr. TIPTON. Significant cost. With so many of the acres of Forest Service-managed land around you, would you say that your efforts to properly manage Hinsdale County lands have been beneficial to the overall health of the forest?

Ms. DOZIER. Yes. I would say that in the little bit that we have control over, what we do does help the overall forest.

But because we are so surrounded by forest, what is happening in the forest is overwhelming to what is happening in the rest of the county. So, when we go into the Rio Grande area of our county and we observe a virtually 100 percent red dead trees, we know that our folks living out in that valley are at risk.

Mr. TIPTON. You bet. Would greater discretion, in your opinion as County Commissioner, somebody who lives there and loves the land, to be able to have land management decisions affecting 96 percent of the county lands in your area, would that be a beneficial thing, to be able to play a role?

Ms. DOZIER. We really believe so. I agree with Dr. Sibold in that we are personally looking at a starting place. That is what this legislation would afford to us, beginning where the people live, and beginning to work out, doing things that make our people safer, our water quality better, our air quality safer. So, it is a small start.

We really aren't talking about landscape-wide. We are talking about locally looking at what we know is the greatest risk and beginning to identify that and initiate those measures.

Mr. TIPTON. Great. I appreciate that. I would like now, Commissioner Martin, if you could maybe speak too. In the 2012 fiscal year, the National Forest Service spent approximately $1.4 billion in wildfire suppression nationwide. In your opinion, would it be more proactive to manage these high-risk areas during seasons of extreme drought and dryness to help keep the communities safer and reduce the need for communities and the Forest Service to be able to react retroactively to these conditions?

Mr. JOHN MARTIN. Absolutely. And the example is what we saw on the map above, is that it is a little bit misleading. There were over 20 forest fires in Garfield County just last year. We responded and put them out. And again, that is on Federal land, as well as private land.

So we feel that the management, the proactive approach, is a much better project than spending billions of dollars on suppressing that fire.

Mr. TIPTON. You know, as commissioners, you have to be able to look at kind of the 30,000-foot view. What effects, Commissioner Martin, do you see with the dead beetle-infested trees having on the recreational economy and on species habitat, as well?

Mr. JOHN MARTIN. Well, it is devastating. What it amounts to is it is an overgrowth. Too much flatter fuels underneath the existing forest, the dead and dying trees, not to mention the Aspen fungus that is killing just about everything. It moves out all of your game. It moves out the species that is trying to make that a habitat. And it is subject to extreme fires, extreme hot fires.

It has devastated Garfield County and we depend on about $60 million a year from hunting. That has dropped to a third. The rea-

son is they are all on private land and not on public land, simply because they cannot exist on those Federal lands any more.

Mr. TIPTON. As, Commissioner, as somebody who lives there and loves the land, would you find it valuable to be able to work with the Governor, to be able to go in and address these areas of concern?

Mr. JOHN MARTIN. Absolutely, as we are doing right at the present time, using biochar and revitalizing the grazing area, the forest floor, using the soil conservation folks and our CS folks and going in there and actually paying for it ourselves.

We are a county that is fairly well off, we balance our budget, and we do have money in the bank. We are taking proactive approaches just to do that, so that we can show our Federal partners—we are not throwing rocks at anybody, we are trying to save the forest, the animals, and the habitat so that we can live and enjoy it.

I have a great-great-grandfather who was the last territorial Governor of the State of Colorado, and the first Governor of the State of Colorado. He served twice. He was also a Senator. It means a lot to us. We have been there since, again, the 1860's. We know and we love the land. We take care of it. It is always amazing that some people come from wherever and say, "What a beautiful place, you are destroying it, and now we are going to change it."

Mr. TIPTON. Great. I appreciate that. I now yield to Mr. DeFazio for his questions. Have none? Mr. Grijalva, any further questions?

Mr. GRIJALVA. No, thank you, Mr. Chairman.

Mr. TIPTON. OK. I will take the liberty of being able to sit in the big chair and to do just a little follow-up on this.

Mr. Sibold, I was interested when you were giving some of your testimony you had said that drought was the common thread, not the Bark Beetle, that was going through. Just to be able to give you an example, if we piled up some paper on top of this desk and then we threw on some boxes and then we threw on some other combustible material, and then ignited it, would it burn hotter?

Dr. SIBOLD. Would it burn hotter?

Mr. TIPTON. Yes.

Dr. SIBOLD. Yes. I mean, I——

Mr. TIPTON. Probably would?

Dr. SIBOLD. I think that there—do you want me to expand on the dynamics of fire a little bit?

Mr. TIPTON. I think—I am really trying to, I guess, basically get to the point to where you were talking about the Bark Beetle not being an issue. The real issue, I think, that H.R. 818 is trying to be able to address is, from the Forest Service, from the BLM, we have visited actually with the rangers on the ground. We have trees growing at elevations that they should not be growing at. We have overgrowth in the forests. And once that does catch fire, it expands and spreads.

And when we are talking about drought, one of the best examples that you noted when we were down in Southwest Colorado and Pagosa Springs with one of the pilot projects that J.R. Ford is putting on, we actually had testimony from Forest Service rangers that were saying, "With proper treatment"—we aren't talking

clear-cutting, we are talking proper treatment going into these areas—groundwater increased 15 percent. The health of the trees that were there recovered within 2 weeks. And these are forest rangers that are giving this type of testimony.

So, I am just a little curious when we just talk about drought. We have more trees growing than we should in those areas. The Forest Service itself has admitted and made the comment we are suffering now from 100 years of mismanagement of our forests. So, wouldn't it be an appropriate thing to get in and properly treat these areas? Not the steeps, but in those areas beyond the wild urban interface to actually address it.

Dr. SIBOLD. Yes, I mean, I think, Mr. Tipton, we are on the same team here. I have tremendous concern for the forests of Colorado.

One thing I would stress to you is that we are talking about very diverse forest types here. The great projects in Southwest Colorado are Ponderosa Pine forests. We do have evidence that in some Ponderosa Pine forests of Colorado fire suppression, other land-use practices have changed those forests. In contrast, the vast majority of the forests that are being affected by beetles, by Spruce Beetle and Mountain Pine Beetle, are Spruce Forest and Lodge Pile Pine forests.

For an example, in Hinsdale County we have been working in there for 3 years now, in a lot of these different valleys. I would say probably the average tree age in those forests is about 300 years. Fire suppression for the last 60 years has not impacted that. Those forests are naturally dense, and a lot of those in the tree-ring record, we just can't find evidence of fire in a lot of those valleys. And/or if there is fire, the intervals on these kind of 250, 350 kind of return—year return intervals.

So, I agree with you. In some cases we need a range of management options. We need to be able to go in and thin in certain sites. And I would be more than interested to help you try and identify different strategies and different areas, prescribed fire in other areas in higher-elevation forests would make a lot of sense.

And I am not saying that logging is not off the table. Maybe it makes sense in some areas. I think significantly reducing fuels close to communities makes a lot of sense. But there is fire risk. I am not doubting that at all. But where we go about it—if the goal is accomplish reduced fire risk, I think that we can do that. But there is not a one-size-fits-all kind of policy for all of our diverse forest types in Colorado. We have a huge range of forest types.

Mr. TIPTON. I appreciate your coming, sir.

Commissioner Dozier, I did have one other question for you. With the drought conditions that we do currently have out in Colorado, some of the challenges that you and I have both seen in Hinsdale County, what tools are currently available for you to be able to work with, as Commissioner?

Ms. DOZIER. As a Commissioner? We work with the forests that are within our county, we work with the BLM, we work with them on planning, we try to initiate and give them our input. There is a real difference between that and what this bill would afford us, however. And we would desire to have more input on the front side of these projects, rather than later giving comments after a great deal of time has been spent doing other work.

Mr. TIPTON. Great. And would you concur with that, Commissioner Martin?

Mr. JOHN MARTIN. Yes, sir, I would.

Mr. TIPTON. Great. Well, with that, my time has expired. And I would like to thank our panel for your testimony on this. This is important. This is going into the record, and will be going to—be an ongoing portion of some of the visiting that we are going to be having here in Washington as these bills move on to full Committee and ultimately to the floor.

So, thank you so much for the time and the effort to be able to come here. I appreciate it.

If we could have our last three panels come and be seated: Andy Groseta, Tommie Martin, Tom Tuchmann, Doug Robertson, and Dominik Kulakowski.

Well, panels, I thank you for taking the time to be here. You may have sat in, I will just echo some of the words of Chairman Bishop with the timing lights that we have. When it is green, it is go. When it is yellow, you speed up. And when it is red, you stop. And so, I would appreciate your support on that. And thank you for taking the time to be here. And we will start with the testimony of Tommie Martin.

STATEMENT OF TOMMIE MARTIN, DISTRICT 1 SUPERVISOR, AND VICE CHAIR, GILA COUNTY, ARIZONA

Ms. TOMMIE MARTIN. Well, good morning, or good afternoon, Chairman Tipton, Ranking Member Grijalva, distinguished members of the Subcommittee. I am pleased to speak with you this afternoon about Federal land management in the west.

Since 2004, I have been a member of the Gila County Board of Supervisors, located in the center of Arizona. We are a rural county with a population of 53,000. Within the county's 4,800 square miles is the Tonto National Forest, with seven wilderness areas, one scenic river, and three Indian reservations. Ninety-six percent of our land base is exempt from local taxation because of its Federal designation. Of the remaining 4 percent, 2.5 percent is used for mine tailings and taxed at a significant reduction. And 1.5 percent represents our true tax base. The heavily forested northern .5 percent represents up to 70 percent of our total assessed valuation, and is 100 percent at risk from catastrophic wildfire.

We once had a vibrant economy based upon the use of renewable and non-renewable natural resources. However, the use has been eroded over the last 40 years the restriction of access to resources on Federal lands, as well as overzealous interpretation of NEPA by the Federal planning processes.

Our once-vibrant logging and ranching industries are almost extinct. Nearly all of our mines are closed. And many mineral-bearing acres are now permanently locked away and grazing severely restricted in the 920 square miles of the wilderness areas.

As for my background, when my great-grandmother drove her family in a wagon into the Rim Country in the latter part of the 1800's, she told me that the now-densely forested lands were "open, rolling, grassy hillsides with trees in the canyons." She said she could take that wagon in any direction, and the boys could run a horse in any direction. And what she called a Ponderosa Savannah,

she described 30 trees to the acre in the most forested areas, where we now have up to 3,000. The streams were perennial and full of native brown trout. Since my grandad's day we have lost over 1,000 miles of these same streams. And the forest was full of now long-gone birds and wild animals like wild canaries, grizzly bear, and wolf.

My family homesteaded and ranched. They owned a saw mill and logged. The prospected and located mines. Once the area became the forest, we ranched on leased Federal lands, all the while using livestock to harvest, forage, and till the soils. The animals were constantly moved to maximize nutrition and avoid stressing any one area. Those pioneers, with their nomadic style of livestock handling knew intuitively and through experience that over-grazing was a function of time and not animal numbers.

Prior to becoming Supervisor I enjoyed a 25-year career as a contract specialist in collaborative, holistic resource management. My path led me throughout the American West, western Canada, Mexico, and eastern Africa, primarily in Ethiopia and Somalia. Nowhere have I seen natural resources in worse condition than in our American West.

By any honest measure of health, functioning, or productivity, our resources are dead or dying, due to 100 years of failed Federal policy. It doesn't have to be. There is a few bright lights in the west, where land is adaptively managed with true share decision-making among the Federal, State, local government, private land owners, neighbors, and special interest groups. This type of management produces abundant clean water, multiple diverse abundant species, and abundant true wealth. In one case, in Utah, the ranch produces hundreds of times the annual earnings of its neighbors.

This management is not a function of eco-type or climate or land ownership. It is a function of trust and of shared collaborative goal-setting, decision-making, and monitoring by a diverse group of folks who owned the process. And if you were truly interested in this type of management, I invite you to come with me and see for yourself.

The legislation you are reviewing today is a good start toward allowing for change, which we so desperately need. Some of the provisions I support, one, is maintaining, through SRS, an economic safety net for the counties while rebuilding the forest infrastructure. Two, bringing NEPA back as a useful management tool and stopping its use as a weapon by eliminating the opportunity for delay. Three, strengthening the stewardship contracting authority.

I would also like to offer some suggestions for your legislation. One, ensure a meaningful role of consultation by local governments. Two, ensure the integration of social science and economic science and the best available scientific information, or BASE, that is used by the Forest Service now to make land management decisions. Define, and explore, and study the implications of requiring 25 percent of stewardship contract funding to be shared with the counties. How will this compare to the funding provided by timber sales? It could become a real red herring, or at least a mixing of apples and oranges. And I am concerned about the implications for the counties.

The road to hell is paved with good intentions. And it is littered with unintended consequences. We need to take the time to think this through and do this right, rather than doing it over. Together we must change the way we manage our renewable natural resources. We must be more willing to let them earn and less willing to let them burn.

There is not enough money in the treasury to solve this problem, but there is in the economy. We must allow industry to profit while using the wealth from these resources to pay for their restoration. The time is now—and tag, we are it—to figure out how to make this happen

Thank you for the work you have done so far, knowing full well it is just the beginning. Thank you, Mr. Chairman.

[The prepared statement of Ms. Tommie Martin follows:]

Statement of Tommie Martin, Gila County Supervisor, District One

Good Morning Chairman Bishop, Ranking Member Grijalva, distinguished members of the Public Lands and Environmental Regulation Subcommittee. I am so pleased to speak with you this morning about my views on federal land management in the West, in particular in Arizona. Thank you for the invitation.

Introduction

Since 2004, I have represented the citizens of District One on the Gila County Board of Supervisors. Gila County, Arizona, located in the center of Arizona just northeast of Phoenix, is a rural county with a population of 53,144, of which 12% are unemployed and 21% are living at or below 200% of the federal poverty level. Within the County's boundaries of 4,795.74 square miles, there is the Tonto National Forest with seven Federally-designated wilderness areas totaling 920 square miles and one Wild and Scenic River (the Verde), and three Federal Indian Reservations (Tonto Apache, San Carlos Apache and White Mountain Apache).

Gila County government operates under the economic constraint that 96% of the land within our boundaries is exempt from local taxation because it is under federal and/or tribal management. Of the remaining 4% of the land base, 2.5% is property used for mine tailings which is taxed at a significant reduction. We operate on a full tax base of only 1.5% of the land.

Of that 1.5%, 1% lies in the desert and rangelands of the southern part of the county and the ½% lies in the northern forested section. The heavily forested northern ½% represents up to 70% of the county's total assessed valuation and is 100% at risk from catastrophic wildfire. In a bit, I will discuss how we as a County have been involved since 2006 in mitigating this risk.

In Gila County, we work tirelessly to protect our natural resources. But we also recognize the importance of preserving, and maintaining access to, the western way of life that is evident in our multi-cultural activities, recreation, and natural resource-dependent industries located on federal lands. We believe that if we take care of the land, the land will take care of us. Over-protective federal land policies create an unsustainable environment for our western culture and economy.

Not only must we deal with the steep challenge of managing a wide range of local governmental needs on such a limited tax base, we must also deal with the complications presented by the land management decisions made by our federal land management agency neighbors. For example, the risk to our citizens from wildfire grows annually. While we work closely with the U.S. Forest Service (USFS) to better manage the resource under their control, we are severely constrained in our ability to influence outcomes.

In addition, our ability to maintain a robust and diverse economy in Gila County has been eroded over the last forty years, in large part due to the restriction of access to resources on the federal lands (as well as overzealous interpretation of NEPA by the federal planning processes). Because of this, the once vibrant logging and ranching industries in Gila County are now nearly extinct. Nearly all of the mines are closed. And many, many mineral bearing acres are now permanently locked away in the 920 square miles of Gila County's seven designated wilderness areas.

And our latest challenge is that the federal government is treating what is essentially its property tax payment for federal lands in counties (which, as you know, is referred to as Payment in Lieu of Taxes and Secure Rural Schools funding from which we provide school funding and road maintenance services) as a discretionary

obligation subject to the sequester and other general budget cuts. The federal government cannot balance its budget on the backs of the counties providing services. The federal government must meet its obligation to pay what is essentially a tax liability just as all its citizens are required to pay.

Now, let me switch gears. Prior to becoming Gila County Supervisor, I enjoyed a 25 year career in Natural Resource Management, working primarily as a contract specialist in collaborative holistic resource management. My career path let me work throughout the American West, western Canada, Mexico and eastern Africa—primarily in the countries of Ethiopia and Somalia.

This career choice arose out of my personal history.

Personal History

When my ancestors came to Gila County in the later part of the 1800's, the now densely forested lands were described to me by my great-grandmother as "open, rolling, grassy hillsides with stringers of trees in the upper elevations and stringers of chaparral in the lower climes. She drove the wagon that her family came to the area in and said that she could take that wagon in any direction and the boys could run a horse in any direction in what she talked about as a "ponderosa savannah". Never once did she describe it as a forest—she said there may have been 30 trees to the acre in the most forested areas (we now have up to 3,000 per acre in the same area she was describing)

The streams were perennial and full of a native brown trout (since my grandfather's day we have lost over 1,000 miles of these same streams) and the forest was full of now long-gone birds and wild animals like wild canaries, grizzly bear and wolf.

My family homesteaded and ran livestock on the homestead permit. They owned a saw mill and logged. They prospected and located mines. Once the United States Forest Service was established, we ranched on leased federal lands, all the while bringing cattle, goats, and pigs to eat the understory and grasses and naturally till the soils. The animals constantly moved to maximize the grazing and avoid stressing any one area because the pioneers, with their nomadic style of livestock handling, knew intuitively that overgrazing was caused by time and not animal numbers.

Finally there is "science" to support this approach, but back then it was common sense. They understood that they needed the land to support them, and they had to take care of the land. Lightning strikes caused fires in the summer when the land was drier than during the rainier winters, but because the animals—wild and domesticated—grazed the land and reduced the potential fuel for the fires, the forest fires were not the deadly threat they are today. In fact, such fires served to maintain the forest ecosystem. In addition, today the USFS prefers to burn large swaths during the dead of winter in their "returning fire to the ecosystem mantra." But that is exactly the time of year when all the little critters are snug in bed with their winter food storage. Just in time to get burned out of house and home and either starve or become coyote bait. This is more of what I call "failed federal policy" reaching all levels of the ecosystem.

With the advent of the USFS, and then the Bureau of Land Management, came two of their dictates that became particularly devastating to our dry forests and rangelands (as opposed to the wet forests and rangelands of the eastern seaboard and the western peninsula of the U.S., and much of Europe)—a situation they neither recognized nor understood. They both stopped an historic, almost ever-present fire within the forested areas and then they fenced up the open land stopping the nomadic livestock use of the browse and grasses that mimicked the historic use by wildlife. They also changed the wildlife free-range with these fences and have devastated whole herds through time.

And so began 100 years of rule upon rule, policy upon policy (and continues to this day) to make these initial dictates "work" in an environment that has and will continue to die because of them. We are seeing the end game in our forests now, in fact.

And over time, our ability to use the federal lands for support of our families became limited. Logging, mining, and grazing federal lands in Gila County has all but been completely eliminated. Environmental regulations and lawsuits created a business environment that shut down the industries that supported our families for generations. In the name of "science," the logging mills are gone—that is both the infrastructure and the capability. As the federal leases for grazing were eliminated or severely curtailed, families that ranched for generations lost their herds and their livelihoods and sold out to folks that could afford a ranch for a lifestyle and did not have to depend upon them for a livelihood.

As the forests were allowed to grow unchecked by the natural system, streams dried up and the water table was taxed due to 100 times as many "straws" taking up water—an acre with 30 trees vs. an acre with 3,000 trees turns every little dry spell into a drought. The drier conditions, and the artificial droughts, stressed the dense forest and laid the trees open to pests and disease. And the wildfire fuel build-up is unprecedented. The threat we live in—virtually a sea of gasoline—is unfathomable and completely created by poor federal land management because of 100 years of failed federal policy. The stress on the ecosystem by this burden created by federal land management decisions over the last 10 decades, now compounded by a warming climate, must be addressed. We must start to restore our western landscapes for their own sake—for their health, functioning and productivity.

But we must also restore them because they ARE our nation's basic wealth source—and our ONLY renewable wealth source. Managing renewable natural resources should NOT cost our nation money—it should, in fact, make money for our nation. Managing them as our federal government now does squander our basic wealth source—either we do not add wealth to the country's coffers or we outrageously cause cost in areas like 'management', fire suppression and subsidized thinning.

Challenges

As described above, we face many challenges living and surviving in our current environment. These challenges are both environmental and public safety oriented, as well as economic. In order to meet the challenges posed by a grossly-overgrown disease-laden forest, we must look at the environmental and economic causes together. This land was healthy and thriving not that long ago, and adding to the nation's treasury through the economy. It can be restored. But the needed restoration will require a major overhaul of federal land management policy and implementation. We have seen some improvements, but we have a long way to go.

The following is a short list of the major reasons I see for the serious decline in our forests' health and the related health of the communities dependent on the forests for their livelihood—unchecked overgrowth:

- Reduced timber sales, and the resulting reduced payments to the counties of 25% of the value of the sales. The timber sales put people to work and help support our local economies and governments.
- Insufficient funding for thinning allows chronic overgrowth and building of wildland fire fuel that presents a terrifying threat to our county's residents.
- Hijacked use of the National Environmental Policy Act (NEPA) requirements delay needed thinning efforts. We have been witness to the Forest Service and the environmental groups battling over tree diameters while we burn. This cannot continue.
- Entrenched bureaucracy limits the flexibility needed to reach the creative solutions our landscape requires. The willingness to work collaboratively that is so uniformly and positively discussed in Washington needs to be effectively implemented in the field.

Opportunities

I am fond of saying that the federal budget does not have the needed resources to clean up the forest, but the economy does—i.e., there is not enough money in the Treasury to solve this problem—but there is in the Economy. We need to let the land once again support itself, and our western culture and ranching families.

While the challenges are steep, there are a number of positive movements that can help guide more effective federal land management and best practices of local governments. Here are a few examples:

- Collaboration is critical to restore forest health. We cannot afford to keep fighting about who has the right approach. My world-wide, multi-cultural experiences and my involvement with both 4FRI and the Forest Service's Collaboration Cadre has shown me that we can save time and money in making land management decisions with all parties around the table from the beginning of the process to the end and by having an open and respectful dialogue. By that I mean that Forest Service management—from the Forest Supervisors to the Regional Supervisors to Washington—must be on board.
- Stewardship contracts can allow the forests to pay for their own restoration. This is an effective mechanism to put the forests back to work. To best implement stewardship, I believe that the contracts must be self-sustaining, that is, not dependent on federal or state subsidies to make the business work. From what I have seen from my experience working around the White Mountain Stewardship contract, as well as 4 FRI, the Forest Service must cultivate

and ultimately choose self-sustaining businesses, but I am not sure the Forest Service has the expertise to evaluate the business viability. I recommend that Congress require that the Forest Service evaluate, in an open manner, the economic health of the potential contractors, as well as that of their proposals.

- Continue to include cellulosic targets in EPA biofuel standards. On forests like the Tonto, where there is little high quality lumber, but lots of "fuel," the option of turning the growth thinned from the forest for biofuels is very attractive. Recently, attention has turned towards creating an economically viable cellulosic ethanol process. As in all developing industries, federal targets help create a market. If a cellulosic biofuel market can be developed, the Tonto Forest's thinning program could become self-sufficient.

Gila County's Response to Catastrophic Wildfire

As promised earlier, let's visit about Gila County's response to having 70% of its assessed value being 100% vulnerable to wildfire—

The geographical area known as Arizona's "Rim Country", which is northern Gila County, has experienced several massive and destructive forest fires over the years—beginning with the Dude Fire in 1990.

Following the February Fire of 2006, I approached the local Ranger District of the U.S. Forest Service to see if there was any way the County could help mitigate these fires.

The Forest Service suggested the best help Gila County could give would be to figure out how to locate or provide "enough sources of adequate water that are helicopter-available for first strike resources so that all small fires can become non-fires and all medium fires can be held in place long enough for additional fire-fighting resources to arrive."

To make a long story short, Gila County used what we call our "redneck ingenuity." Our Public Works Department bought 20,000 and 50,000 gallon fuel bladders from Desert Storm military surplus. They had about 80 feet of surplus 10-foot diameter culvert which they then cut into 10-foot lengths, plumbed with a 3 inch pipe and drain plug, welded on a steel bottom, hose-clamped used 3 inch hard plastic pipe around the top (to protect helicopter buckets and snorkels) and produced what we call a "Hick's tank" that holds another 6,000 gallons of helicopter-available water. Initially, there was +/−232,000 gallons of helicopter-available water ready for immediate fire-fighting use.

Just imagine—a quarter of a million gallons of "new," close, very strategically located, first response wildfire fighting water that can be accessed both by helicopters of all size buckets and nozzles, and also by regular fire-fighting apparatus! Our County Road Department provides support by placing these bladder-tank units and keeping them filled with water.

These set-ups are located behind locked gates and are signed *"Wildfire Protection Water—Do Not Disturb. Our ability to help protect your safety depends upon your helping us protect the safety of this water source."* The Sheriff's Posse is making regular rounds to check on them.

When all was said and done, the 25 set-ups have cost us right at $750,000 from our General Fund (property tax dollars from that very limited pool of 1½% private land in our County) and we spent another $250,000 of those same dollars to match 5 local communities in establishing a fuel break on their prevailing wind southwest sides for fire defensible space. While not completely protected from the tinderbox that our surrounding forest has become after 100 years of failed federal policy, our communities now do have a fighting chance of battling and surviving a forest fire. And we hope the odds of this County losing 70% of its assessed value in one fire are substantially lessened for now.

We also hope that we have bought enough time for Industry to come back into play and let the products of the forest pay for its restoration. Again, we do not have enough money in the Treasury to solve this problem—but we do have enough money in the Economy. We MUST figure out how to use the Economy to pay for this restoration while also providing the environmental goals of a sustainably healthy, productive and functioning forest.

But I digress—since initial placement in 2006, the dip tanks have been used hundreds (probably thousands) of times by helicopters extracting water to fight fires.

One of our success stories happened on June 20, 2010. That was the same day the Schultz Fire started in Flagstaff. With the same fuel loads and the same weather conditions and within the same hour the Shultz Fire started—a fire began near Kohl's Ranch. Helicopters dipped out of a bladder-tank system placed just weeks before at the Zane Grey site. That fire was held to 4 scorched acres while the Schultz Fire burned 15,000 acres, caused at least one death, and lead to extensive flooding the following season.

We now have dozens of these stories—each year our 'fire-water system' is used to put out hundreds of fires.

Our most recent success was the Poco Fire north of Young in the summer of 2012. By their own admission, the USFS predicted they had another 500,000 acre fire on their hands due to terrain, fuel load, weather conditions and time of year. Again, by their own admission, the fact that they were able to hold it to +/−30,000 acres was due entirely to Gila County's fire-water set-up and its commitment to minimize every fire.

Eventually, I believe minimizing fires needs to be accomplished with what is called "environmental economics" whereby the clean-up of the forest pays for the restoration. This leads into discussions about social, economic and environmental sustainability (or the "triple bottom line"), biomass industries, economic development, and so on. This is where the Four Forest Restoration Initiative (4FRI) comes in.

But for now, our bottom Line is that we have experienced over 100 fire-starts each fire season since 2006. Eighteen of them were classified "catastrophic potential" by the USFS. One of them burned 150 acres up the face of the Mogollon Rim before it was put out. One became the 800 acre Water Wheel Fire. The Poco grew and was held at +/−30,000 acres. ALL of the rest were held to 8 acres or less. There have now been thousands of helicopter water dips taken out of these tanks.

We are happy to share our data, pictures, ideas and personal stories with anyone interested in this type of cooperative catastrophic fire prevention.

We also know that, long-term, there is not enough money in the Treasury or the pockets of the local citizenry to solve this problem—but that there is most certainly enough money in the Economy to do so.

We also know that, long-term, there is not enough money in the pockets of the local citizenry to solve this problem—but that there is most certainly enough money in forest products for industry to do so.

We also believe it is past time to stop being so willing to let our forests and watersheds catastrophically burn, and start being willing to let them earn.

Comments Legislative Proposals Before the Subcommittee

"Restoring Healthy Forests for Healthy Communities Act"

Chairman Hastings's clearly appreciates that American communities would prefer to receive receipts from a working landscape, but that until we are allowed to effectively work the land again, that a bridge is necessary. For this same reason, I support the reauthorization of Secure Rural Schools (SRS) authority, especially in light of reduced timber harvests in the foreseeable future. Chairman Hastings' draft legislation will assist counties like Gila County manage our resources. I support this draft bill.

Regarding more efficient implementation of NEPA, I offer two suggestions. First, I have found that lack of available funding for the required environmental analyses causes significant delays, so I suggest that the bill include a specific funding authorization for the needed NEPA analysis. Second, the 180 day deadline for completion of a NEPA analysis will be helpful, but it will only be effective if the agency completing the NEPA analysis cannot delay the tolling or start of the 180 day period, which in this bill is the publication of the notice. I suggest including guidance in the bill to clearly describe when the notice is required to be published.

"Catastrophic Wildfire Prevention Act of 2013"

Representative Gosar's bipartisan bill addresses many issues of great importance to Gila County and I strongly support it. Stewardship contracting is a valuable tool necessary to allow the forests to pay for their own restoration. Reauthorization of stewardship contracting is critical, as is authorization for 20 years contracts; I support both. Under existing authority, which permits 10 year contracts with a provision to extend another 10 years upon further approval, it is difficult for business to secure financing and create a viable business plan. I understand that 20 year contracts are necessary to allow businesses to recoup the needed infrastructure investments.

I support payments to the counties from the stewardship contract, especially as I understand that stewardship contracting is a mechanism the Administration wants to expand. But I question the value of payments based on 25% of the timber sales receipts from stewardship contract. I do not believe the value to be comparable to the value of a timber sale, as timber sales are designed to pull high value product from the forest, while stewardship is designed to thin and restore the forests. Clarifying this value question will be important over time to ensure that counties are appropriately provided for where stewardship contracts are more widely used than timber contracts.

Finally, I have two questions. First, who makes the determination of an "at-risk forest?" I suggest that local officials have some role in that process. Second, I appreciate the need for deadlines in the NEPA process, as we have all seen long delays blamed on NEPA, but I question whether or not this bill has given the agencies enough time to complete a meaningful analysis, which should include input from local officials. I suggest that the subcommittee consider taking into consideration the size of the parcel that is being analyzed in determining the length of time allowed to complete an environmental assessment or an EIS.

Conclusion

On behalf of the residents of Gila County, I express my gratitude to the Subcommittee for taking up this very important set of issues. The West is in crisis, and there are only signs of it getting worse. Federal land management policies must change direction immediately. We have no time to waste. I urge the Subcommittee to move this legislation and work with the rest of Congress and the Administration to enact the changes discussed today to save the West.

Attachment to Gila County Supervisor Tommie Martin's TESTIMONY

1. Gila County location map
2. 80 years of change
3. Smokey burning during the Willow Fire (2012)
4. Fire-fighting water site map
5. Water tank
6. Water bladders and helicopter
7. Helicopters and water tanks
8. Strategic Targets for Biomass supply

Mr. TIPTON. Thank you. And Mr. Groseta? Am I pronouncing that properly?

Mr. GROSETA. Correct.

Mr. TIPTON. We look forward to your testimony on H.R. 1345.

STATEMENT OF ANDY GROSETA, PUBLIC LANDS COUNCIL, ARIZONA CATTLE GROWERS' ASSOCIATION

Mr. GROSETA. Thank you, Chairman Tipton, Ranking Member Grijalva, and members of the Subcommittee. Thank you for inviting me to testify today on H.R. 1345, the Catastrophic Wildfire Prevention Act of 2013. My name is Andy Groseta, I serve as President of the Arizona Cattle Growers Association. I am a past president of the National Cattleman's Beef Association, and a member of the Public Lands Council. Today I am speaking on behalf of the livestock industry.

I am a third-generation rancher and our family has been ranching in the Verde Valley, north-central Arizona, since 1922. We operate on forest, State, and private lands, and take our jobs as stewards of the land very seriously. We collaborate with State and Federal agencies to maintain the working landscapes that are vital to Arizona's economy and its citizens.

Livestock grazing represents the earliest use of western lands as our Nation expanded westward. Today those lands and resources found on them continue to be essential for livestock production, wildlife habitat, open space, and rural economies of the west. However, a hands-off management approach by the Federal agencies has led to severe damage of the resource.

Regulations on public lands have all but eliminated logging and reduced grazing, allowing a build-up of fuels that has been causing devastating catastrophic wildfires year after year. When catastrophic wildfire breaks out, there are no winners, not the water-

shed, not the wildlife, not air quality, not the rural communities, and certainly not the taxpayer.

While taxpayers may find staggering the nearly $2 billion price tag associated with suppressing wildfire last year, I think what would truly be a shock if a number could be calculated as the loss of valuable resources and property that our real communities depend upon. For ranchers, this includes death/loss of our livestock, displaced stock for which we must find new pasture, not only for the year of the fire, but also for several years thereafter, loss of fences, corrals, water structures, sometimes even barns and homes. I might add that it takes a heavy toll on your morale, watching several generations go up in smoke.

In 2011 Arizona faced the most devastating fire season in history, with over a million acres burned, impacting over 100 ranching families and displacing over 18,000 head of cattle. That is why we are here today to discuss the Catastrophic Wildfire Prevention Act of 2013, which would bring real, immediate relief to the dangerous situation on and near our public forest lands. It goes to the heart of the problem: the overgrowth of regulations that have led to the overgrowth of fuels.

The bill removes the analysis paralysis that typically accompanies NEPA review on grazing and thinning projects in high-risk areas, and it allows fuels removal under existing ESA authorities. It will encourage free enterprise solutions and State collaboration, which are essential to reducing the threat of catastrophic wildfire.

Wildfire doesn't wait for endless deliberation, and in high-risk situations neither should we. The wall of fire clearly demonstrated how ESA regulations can create destruction. Because of the Agency's protection of endangered fish, frogs, and owls in our forest, important fuel reduction projects were waylaid. When the wall of fire broke out, it killed a whole generation of these species and their offspring and caused massive destruction of their habitats. The wall of fire case study demonstrates how seemingly a never-ending process required by NEPA often does nothing to protect or conserve all of these resources, as it is intended to do.

In fact, on the Wallow it did the exact opposite. In typical fashion, the agencies plan, they studied, they consulted, and as soon as they made any final decision that allowed for fuel reduction activities, they got sued by anti-logging and anti-grazing environmental groups, usually based on technical and procedural points.

The cycle of analysis and litigation repeats, only the agencies are now dealing with fewer resources. On the Wallow this cycle stymied timber thinning and forest management and fuels build-up to such a degree that the only possible outcome was a catastrophic wildfire.

Given the current status of our economy and the huge size of our debt and deficits, two things should be clear to all of us. One, processes need to be put in place to allow us to save our forests. And, two, we cannot count on the Federal Government to single-handedly clean, thin, and properly manage our forests. The States and local citizens must play a role, and we must no longer allow the regulatory process to be abused by those who simply—who do not want us to live and work on the land. The only way we are going to be able to properly manage our forests is with private in-

vestment from the timber and ranching industries, which will also provide us with food and fiber from these lands.

We will know that we are on the right track when we see wood mills in rural western towns again, and every Forest Service allotment with capacity for livestock grazing being grazed. Our forest communities will see increased jobs, employment opportunities, and economic activity, and our forests will be safer and healthier. The Catastrophic Wildfire Prevention Act of 2013 is common sense. Raging, 500,000-acre wildfires should scare us. But cows and chainsaws shouldn't.

Again, thank you for the opportunity to testify today, and I look forward to your questions. Thank you.

[The prepared statement of Mr. Groseta follows:]

Statement of Andy Groseta, Public Land Rancher; President, Arizona Cattle Growers Association; and Member of Public Lands Council and National Cattlemen's Beef Association

Dear Chairman Bishop, Ranking Member Grijalva and Members of the Subcommittee:

The Public Lands Council (PLC), National Cattlemen's Beef Association (NCBA), and Arizona Cattle Growers Association (ACGA) appreciate the opportunity to voice to the Subcommittee on Public Lands and Environmental Regulation our strong support for H.R. 1345, the Catastrophic Wildfire Prevention Act of 2013. PLC is the only national organization dedicated solely to representing the roughly 22,000 ranchers operating on federal lands. PLC has as affiliates sheep and cattle organizations from thirteen western states, as well as three national affiliates: NCBA, the American Sheep Industry Association (ASI) and the Association of National Grasslands (ANG). NCBA is the nation's oldest and largest national trade association for cattlemen and women, representing more than 140,000 cattle producers through direct membership and their state affiliates. NCBA is producer-directed and works to preserve the heritage and strength of the industry by providing a stable business environment for its members. ACGA was founded over 100 years ago when a small group of concerned cattlemen took it upon themselves to help structure the future of the cattle industry in Arizona. Today, ACGA has grown into a vital organization representing more than 1,000 beef cattle producers and industry leaders throughout the state.

H.R. 1345 was introduced by Congressman Gosar (AZ) to address the forest health, public safety, and wildlife habitat threats presented by the risk of catastrophic wildfire on public lands managed by the U.S. Forest Service (USFS) and the Bureau of Land Management (BLM). The legislation would require the Secretary of Agriculture and the Secretary of the Interior to expedite forest management projects relating to hazardous fuels reduction, forest health, and economic development. Timber thinning and livestock grazing projects aimed at reducing hazardous fuel loads on our Nation's forests would be expedited, particularly in forests surrounding communities.

Dire Situation Facing the Nation's Forests

Fires are a natural occurrence in forest ecosystems in North America and, when occurring in healthy forests, should be considered beneficial. Fire acts to remove excess debris including dead and dying trees and herbaceous material, providing sunlight and nutrients for subsequent growing seasons. Removing young trees where sufficient canopy cover exists helps to maintain a balance within the forest system. However, while naturally occurring fire is good for healthy forests, catastrophic wildfire—a result of excessive forage and trees—causes great harm to forest ecosystems. Roughly four decades of severe mismanagement of our nation's publicly managed forests has resulted in vast areas that have either recently experienced or are at risk of experiencing catastrophic wildfire. According to the Evergreen Foundation, forest density has increased 40 percent in the U.S. over the last 50 years (http://evergreenmagazine.com/pages/Forest_Facts-v2.html). Also on the rise, largely as a result of this overgrowth, is insect infestation. According to the USFS, thinning trees would help put a stop to the growing pine bark beetle epidemic, which in 2011 affected over four million acres across South Dakota, Wyoming and Colorado alone (http://www.fs.usda.gov/Internet/FSE_DOCUMENTS/stelprdb5337908.pdf). Under current management, however, the infestation is leading to dead trees, endangering

the public with the imminent danger of falling trees, catastrophic wildfire, and blackouts due to power line damage.

According the USDA Forest Service Rocky Mountain Research Station in Missoula, Montana, there are vast areas of federally managed land that are not meeting "condition class I" standards. "Condition class I" classification means fuel loads are within their historical range. According to the research station's data released in February 2001 (the most recent data available), only 31 percent or about 52 million acres of forested land managed by the federal government were classified as "condition class I," leaving more than two thirds of those forests with fuel loads exceeding historical levels. This puts those lands and the surrounding areas at risk of wildfires of such intensity that their impacts would be catastrophic to ecosystems and communities. Specifically, lands designated as "condition class II," or lands characterized by vegetation that is moderately higher than historic levels, equated to about 66 million acres. Lands classified as "condition class III," or lands characterized by vegetation that is significantly higher than historic levels, consisted of about 50 million acres (http://www.firelab.org/ScienceApps_Files/downloads/coarsescale/data_summary_tables.pdf—Rocky Mountain Research Station report).

What are the effects? According to American Forest Resource Council (AFRC), "Wildfires burned over 9 million acres in 2012 with a suppression price tag of almost $2 billion dollars" (http://www.amforest.org/images/pdfs/AFRC_Newsletter_1-23-13.pdf). This is only a fraction of the true cost. The January/February 2013 National Fire Protection Association Journal stated that "Focusing solely on suppression costs can blind us to a long list of additional direct, indirect, and associated costs, including damages to utilities and other facilities, timber and agricultural losses, evacuation aid to displaced residents, long-term rehabilitation costs to watersheds and other affected areas, post-fire flooding mitigation and damage, business revenue and property tax losses, public health impacts from smoke, and, in some cases, the tragic loss of human life. Costs such as private property losses are often included in media coverage of fires, but even these figures can hide associated costs that are buried in the details or are difficult to calculate" (http://www.nfpa.org/publicJournalDetail.asp?categoryID=&itemID=59868&src=NFPAJournal).

What are the impacts to livestock producers? Southeastern Oregon's 2012 "Long Draw" fire, the biggest Oregon burn since 1865, spanned over a half-million acres and officially claimed 200 livestock; 400 more cattle were reported missing. Ranchers in this area and across the west will be in dire need of pasture; forage for tens of thousands of cattle was destroyed. At least half a dozen ranching families were left wondering if they will be able to stay in business. Additionally, some 30 percent of priority Greater Sage-Grouse habitat was destroyed by the fire.

The 2012 Barry Point fire in south central Oregon and northern California, which was severe and extreme due to heavy fuel loads combined with extremely dry conditions, burned 93,000 acres. According to AFRC, "In addition to the huge losses of timber, watershed, wildlife, and other values on national forest lands, there were at least six grazing permittees and 38 landowners in Oregon that were directly affected, with property in or adjacent to the fire perimeter. At least 24 had losses or damage in the fire or due to suppression activities. No homes were lost, but several were threatened and required structure protection. Private economic losses included livestock, (including injury, death of animals, and loss of animal body weight), forage, fences and corrals, and timber" (http://www.amforest.org/images/pdfs/AFRC_Newsletter_1-23-13.pdf).

According to an Associated Press article authored in July of 2012—only partway through the fire season—livestock losses were already reaching the hundreds in multiple states. Montana's Ash Creek Fire claimed roughly 400 cows and calves belonging to one ranching family. That family was later forced to shoot in mercy killings additional cattle due to severe burns. Less than half the family's herd remains. At AP's print time, 200 cattle had been killed in Wyoming and about 225 in Oregon. In remote southeastern Oregon, one family lost a third of their 300-head cow-calf operation. (http://www.insurancejournal.com/news/west/2012/07/27/257403.htm).

This is only a continuation of a trend: according to the National Institute for the Elimination of Catastrophic Wildfire, overstocked tree stands and dense canopies have contributed to "such disastrous fires as the 2002 Hayman Fire in Colorado, the 2008 fires in Trinity and Siskiyou counties of California, and the 2011 New Mexico and Arizona fires; more than one million acres of valuable national forest resources have been destroyed by these wildfires alone." (http://www.stopwildfire.org/). In Arizona in 2011, the Arizona Cattle Growers Association reported that major fires impacted at least 100 ranching families and displaced approximately 10,000 head of cows and 8,000 head of calves.

The impact to rural communities, such as Oregon's Harney County where cattle outnumber the people nearly 10 to one, can hardly be measured. Across the West, hay is in short supply. Thousands of miles of fence and countless corrals and water improvements must be rebuilt. Thousands of head of displaced livestock have had to be shipped to temporary pastures. Dry conditions are expected to persist, delaying the recovery of burned area. This is expected to force livestock owners to sell their animals or seek more lasting alternatives to the private pastures and public lands on which they have operated for generations.

Why does this situation exist?

It has become all too clear from the millions of charred acres across the west that the planning process currently in use by the federal agencies is woefully broken. Planning, studying, consulting, litigating, appealing then planning and studying more for months and even years on end is not working and must be changed. How long do we have to watch subdivisions go up in smoke on the nightly news before our country wakes up and stops the dangerous mismanagement of public lands?

There are many reasons why the federal government finds itself in a situation where over two-thirds of the land it manages is at risk of catastrophic wildfire due to fuel loads in excess of historical norms. The various reasons for the burgeoning fuel loads have one common theme: overregulation and, as a result, environmental litigation that creates a self-perpetuating cycle. According to the BLM, livestock grazing has been reduced on BLM lands by as much as 50 percent since 1971, while the timber industry has been nearly destroyed over the last 30 years—all almost entirely due to federal laws and regulations and predatory environmental groups.

For far too long we have allowed outside interests and bureaucratic paralysis to dictate the management of our Nation's forests. Our federal government needs to reduce the current bureaucratic planning process and litigious playing field that our forests have been subject to for most of the last 30 to 40 years. Radical environmental groups masquerading as government watchdogs or protectors of the wildlife and forests drive their anti-livestock, anti-logging agenda through endless lawsuits and appeals—oftentimes collecting attorney's fees and court costs in the process.

One of the major impediments to efficient management of National Forest System Lands is the National Environmental Policy Act (NEPA), an act intended to require agencies to analyze alternatives when making major decisions. Unfortunately, the law has been abused to the point that NEPA has become an endless process, creating a state of gridlock. The excessive regulations resulting from NEPA have led to massive paperwork backlogs. On USFS grazing decisions alone, the agency estimates that there are currently approximately 2,600 grazing allotments that (as interpreted by the courts) "need" NEPA analysis. Such backlogs inevitably lead to litigation from extremist environmental groups, who wait in the wings to sue on process-based matters such as missed deadlines. Their lawsuits then suck up more resources, creating the aforementioned self-perpetuating cycle—and keeping agency personnel from doing the job we hire them to do: work with ranchers, the on-the-ground managers, to care for the land. Instead, our members' livelihoods are being jeopardized, as are the land, the environment and wildlife. Such "management" is unacceptable.

In addition to NEPA, the Endangered Species Act (ESA) has been abused to drive the anti-livestock and anti-multiple-use agendas of special interest groups. The irony is that wildfire poses a great threat to many wildlife species, yet the ESA is often used to limit activities such as timber thinning and livestock grazing that reduce fuel loads and diminish the instances of wildfire. Critical habitat designations for the spotted owl have all but wiped out the timber industry in the northwest. Mexican Spotted Owl and Goshawk critical habitat designations have impacted ponderosa pine/conifer forests all over the West, and have resulted in substantial reductions in livestock grazing over the years (of note: over half of the Mexican Spotted Owl nesting sites were destroyed in the Wallow Fire). Heaven help the sage grouse, should the U.S. Fish and Wildlife Service decide to list it as a "protected" species: the listing has the potential to limit or remove the most important tool to reducing the threat of wildfire on the sage brush sea—grazing. How can we continue to allow species "protection" to be the source of such destruction?

A number of other laws and regulations limit the management of our nation's forests to little more than preserves devoid of sustainable resource management through multiple-use activities.

Grassroots effort to bring commonsense solutions forward

In 2011, in an effort to respond to the problems and threats faced by the livestock industry and communities across the west and in Arizona particularly, ACGA drafted the "Save Arizona's Forest Environment" (SAFE) plan. This grassroots effort led

directly to ACGA and the national livestock associations working together to pass policy and, ultimately, work with Congress to develop legislation to provide solutions.

More than 25 entities, listed below, endorsed ACGA's original SAFE plan, including Arizona's state Senate and House. The plan's goal was—and remains—to reduce fuel loads and take other appropriate actions so that the risk of catastrophic wildfire is reduced in Arizona's National Forests by providing for long-term, self-funding mechanisms and infrastructure to eliminate the dangerous accumulation of overgrown trees and forests. More specifically, the plan seeks to achieve forest health, protect adjacent communities from catastrophic fire, achieve other forest management goals, and maintain Arizona's Forest lands in an ecologically sustainable condition. The ACGA proposes to use proven silvicultural practices, prescribed fire and proper forage management to achieve these goals. The Catastrophic Wildfire Prevention Act of 2013 shares the core principles of the SAFE plan.

Endorsing Organizations of ACGA's SAFE Plan:

National Cattlemen's Beef Association
Public Lands Council
Yavapai County BOS
Town of Prescott Valley
Mohave County BOS
Town of Chino Valley
Sedona-Verde Valley Association of Realtors
City of Cottonwood
City of Kingman
Town of Camp Verde
Town of Miami
Town of Globe
Town of Eagar
Town of Springerville
Lake Havasu City
City of St. Johns
Town of Pima
Catron County, New Mexico
City of Safford
Greer Fire District
Tri City Councils (Kingman, Bullhead City, Lake Havasu)
Arizona Senate Committee on Water, Land Use and Rural Development
Town of Thatcher
Arizona House of Representatives Committee on Energy and Natural Resources
Town of Duncan
Hidalgo County, New Mexico
City of Prescott, Arizona

Catastrophic Wildfire Prevention Act of 2013

In an effort to provide efficiencies to the regulatory process for reducing fuel loads on federal lands, Congressman Gosar has reintroduced the Catastrophic Wildfire Prevention Act of 2013. The proposed legislation will expedite projects (timber thinning and livestock grazing), encouraging free-enterprise solutions on federal lands to reduce the threat of catastrophic wildfire, ultimately reducing threats to communities, the landscape, and wildlife—including endangered species.

The bill proposes to first and foremost address areas with homes in the wildland/urban interface (where federal lands are adjacent to communities.) This element is important, as an estimated 44 million homes in the United States are currently located in fire-prone wildland/urban interface areas, and the USFS predicts a 40 percent increase in new homes in similar areas by 2030 (http://www.idahoforests.org/img/pdf/FUSEE.pdf). The legislation also focuses on the aforementioned "At-Risk Forests," which include all federal land classified as condition II and III by the Rocky Mountain Research Station report titled "Development of Coarse-Scale Spatial Data for Wildland Fire and Fuel Management."

In these at-risk areas and in areas where endangered species are found, the bill expedites projects that focus on surface, ladder, and canopy fuels-reduction activities and that enhance threatened and endangered species habitat. Informal consultation under the ESA would be completed under the emergency provisions of the Act. Prior to the listing of any species under the ESA, research would be conducted to measure the impact a listing will have on fuel loads. Recovery plans and critical habitat designations would have catastrophic fire risk assessment analyses included.

Exemption from utilization standards would be made for livestock grazing for fuels-reduction projects in the at-risk areas. Timber harvesting and thinning would also be authorized projects. Resource management plans, land use plans and forest plans would not have to be amended while implementing authorized projects. The Secretaries would complete an environmental assessment within 60 days (or 90 days for an Environmental Impact Statement) after notice in the federal register for timber harvest and grazing projects. Failure to meet this deadline would deem projects compliant with all requirements under NEPA. Grazing projects would be approved for a minimum of 10 years and timber projects for a minimum of 20 years. In all cases, adequate public review (30 days) would be allowed. In order to prevent litiga-

tion, only those who commented on the draft documents would qualify to comment on the final decision.

Adding to last year's iteration of the bill, the legislation now includes contract stewardship and good neighbor authority measures, which facilitate the completion of forest management projects through public-private partnerships and cooperation with state governments. For example, when in Colorado, between 2000 and 2008, the Good Neighbor Authority program was implemented, thorough engagement of all stakeholders provided a comprehensive analysis of management objectives prior to implementation and helped to ensure the most favorable management outcomes (http://www.fs.usda.gov/Internet/FSE_DOCUMENTS/stelprdb5269069.pdf). Collaborative efforts increased agency accountability to local communities and facilitated more favorable relationships between state and regional partners. (http://www.gao.gov/products/GAO-09-277)

Conclusion

The National Forests are capable of providing the many values and benefits that people expect from our forests, but they need proper management in order to provide these values. The livestock industry supports prescribed fire, commercial timber harvest, noncommercial treatments and enhanced forage harvests on federally-managed forests. Further, we believe that commercial utilization payments could play a large role in bringing back private investment to help finance the many and extensive treatment needs of the forests.

It will be through the empowerment of private investment, individuals and communities that we set the guidepost for future forest planning. We need to direct and see through the initiative to return people to work in the woods, protect habitats and communities and return to the days of 5,000 to 10,000 acre fires in our forests—not 500,000 acre catastrophes.

We urge the committee to advance the Catastrophic Wildfire Prevention Act of 2013 without delay, to enact commonsense solutions to reduce the threat of wildfire on public lands. H.R. 1345 will provide tools the agencies need to effectively manage the Nation's forests.

Again, we thank you for the opportunity to provide these comments to the Subcommittee. If you have any questions concerning these comments or need further information, you may contact Dustin Van Liew (dvanliew@beef.org) at the Public Lands Council and National Cattlemen's Beef Association.

Response to Questions Submitted for the Record by Andy Groseta on Behalf of Public Lands Council, National Cattlemen's Beef Association, and Arizona Cattle Growers Association

1. As I understand it, the PLC has frequently engaged in litigation against the federal government. How many times would you say PLC has participated in a lawsuit against the federal government in the last ten years?

The Subcommittee has inquired as to the number of legal challenges to federal actions PLC has filed over the past 10 years. Over the past 10 years, PLC has been plaintiffs in two cases against the federal government. PLC is the sole organization in Washington, DC dedicated to representing the some 22,000 ranchers who hold public lands grazing permits. Livestock grazing in the West predates the existence of U.S. "public lands," and our members are proud of their longstanding traditions of stewardship and hard work that, for generations, have combined to produce safe, healthy and affordable food and fiber for an ever-growing population. Despite their important roles as environmental stewards and producers, our members frequently find themselves under attack by predatory special-interest groups whose goal is to remove all livestock from public lands, regardless of the dire environmental and economic outcome. These groups use political and legal pressure to encourage the federal agencies to act outside their statutory authority in ways that harm PLC members. In most cases, PLC intervenes on the side of the federal government. However, there have been limited instances where PLC has challenged federal agency actions when we believed the agencies acted outside their statutory authority. PLC files lawsuits against the federal government when all other avenues have been exhausted. We work through the public comment process and with Congress to clarify/reassert their intent when we find error with agency actions; only after having made these efforts do we resort to the courts for relief. This is in stark contrast to radical groups who head straight to the courtroom to drive an anti-multiple-use agenda. Their challenges are oftentimes process-based and include recovery of attorneys' fees directly to the organization via an in-house lawyer. This strategy is used as part of their business plans.

As mentioned above, we have been plaintiffs in two cases against the federal government in the past 10 years:

1. U.S. Forest Service Planning Rule (*Federal Forest Resource Coalition et al v. Vilsack*) (D.C. District Court)
   Federal Statutes at Issue: Organic Administration Act, National Forest Management Act, Multiple-Use Sustained-Yield Act, Administrative Procedures Act
   Summary: PLC joined a diverse multiple-use coalition to file a complaint against the U.S. Forest Service Planning Rule based on what we believe to be violations of the statutes listed above. We filed extensive comments expressing our concerns with the draft rule, which, in our eyes, the agency subsequently ignored or did not sufficiently respond to. By our estimation, the final rule was not brought into compliance with federal statute. We were very engaged in the rulemaking process and litigated only as a last resort.
2. U.S. Forest Service Payette Plan (*Idaho Wool Growers Association et al v. Vilsack et al*) (Idaho District Court)
   Federal Statutes at Issue: National Environmental Policy Act, Federal Advisory Committee Act, Administrative Procedures Act
   In this second case, we joined other livestock industry groups in challenging the U.S. Forest Service's decision to cut domestic sheep grazing by nearly 70 percent on the Payette National Forest, a decision based on spurious science. Industry was not provided the opportunity to engage in the development of the risk assessment that ultimately led to the removal of domestic sheep; therefore, working with Congress was our only option to ensure sheep ranchers would not be arbitrarily removed from national forest lands for the supposed protection of big horn sheep. When this avenue was exhausted, PLC's only option was to challenge the agency in court.

2. When asked if PLC has ever been a plaintiff in a case against the federal government where attorneys' fees through Equal Access to Justice were requested you responded "No." We have found at least two instances where PLC has requested recovery of attorney fees. Please provide the Committee with a complete list of where you have sought recovery fees and indicate if you have done that through Equal Access to Justice Act.

The Subcommittee inquires about PLC's request for and collection of attorneys' and other court fees under the Equal Access to Justice Act (EAJA). I appreciate the opportunity clarify that, when I responded "no" to the Honorable Rep. Grijalva's in-person inquiry, I was responding to whether PLC, as a plaintiff, has ever received fee reimbursement under EAJA, not whether PLC had requested reimbursement. PLC formally sought EAJA fees in 1999, *Forest Guardians v. U.S. Forest Service.* There are two ongoing cases where PLC has included EAJA fees in the initial complaint (*Federal Forest Resource Coalition et al., v. Vilsack et al.;* and *Idaho Wool Growers Association et al v. Vilsack et al.*); however to date PLC has not filed a Motion seeking EAJA fees in either case, because doing so would be premature given the status of litigation in both.

It is important to draw a distinction between PLC's rare requests for EAJA reimbursement and the abuse of EAJA regularly practiced by wealthy radical environmental groups. We have consistently honored the law's intent, which is to protect small entities in cases where they must defend themselves against actions of the federal government. As such, we have supported legislation that would disqualify for payments organizations whose net worth exceeds $7 million. This $7 million-or-less requirement currently applies to for-profit entities and individuals, but does not apply to wealthy "nonprofits". Additionally, we have supported measures to require groups or individuals to have direct monetary interest in the federal government's action in order to be eligible for payments. We also support capping the exorbitant attorney fees these groups claim to be owed, which are sometimes as much as $700 per hour.

We have also supported efforts to make EAJA payments transparent to the public. According to attorney Karen Budd-Falen, in 2011, 12 environmental groups alone had filed more than 3,300 lawsuits over the previous decade, recovering over $37 million in EAJA funds. Budd-Falen said that this was a conservative estimate, as accounting of EAJA expenditures has been scant, at best. With no accounting of these payments, abuse by well-heeled groups will only increase.

3. The disclosure form asks you to list "all lawsuits or petitions filed by the organizations you represent at the hearing against the federal government in the current year and the previous four years." Yet, while your disclosure lists the Federal Forest case, it does not list a case that was filed against the government in the District of Idaho, Idaho Wool Growers Association versus Vilsack. I have the complaint right here, in fact, I downloaded it from your organization's own website, and it clearly lists the Public Lands Council as a plaintiff. Why was this case omitted from your disclosure? What other cases in which PLC sued the government were similarly omitted?

On behalf of PLC, I apologize for this oversight. As you will note, subsequent disclosure forms (filed with the Subcommittee for hearings on 4/16 and 4/18) on behalf of other PLC witnesses did include a complete list of challenges filed against the federal government in the current and previous four years. This included just one additional case, the U.S. Forest Service Payette Plan challenge (*Idaho Wool Growers Association et al v. Vilsack et al*).

4. Isn't it true that the PLC is a plaintiff in at least one lawsuit against the federal government under NEPA and right now? Has PLC ever been a plaintiff in a case that includes the claims under the Endangered Species Act?

As mentioned above, PLC is engaged in a lawsuit against the U.S. Forest Service regarding NEPA (*Idaho Wool Growers Association et al v. Vilsack et al* in the Idaho District Court). In this case, we joined other livestock industry groups in challenging the U.S. Forest Service's decision to cut domestic sheep grazing by nearly 70 percent on the Payette National Forest, a decision based on spurious science that in our view violated NEPA, among other statutes. Neither industry nor the public were provided the opportunity to engage in the development of the risk assessment model that ultimately led to the removal of domestic sheep. The NEPA process, done to identify and assess the reasonable alternatives to proposed actions that will avoid or minimize adverse effects of proposed actions, was not done at this stage. NEPA must be done *before* taking action to assist or approve a proposed action or project that may significantly affect the environment. Additionally, in its final decision, the Forest Service failed to adequately consider and evaluate the direct and indirect impacts of the proposed action on bighorn sheep, on other wildlife, and on the human environment.

As for the second question, in reviewing PLC's case history (over the last 10 years), I do not believe PLC has been a plaintiff against the federal government where claims were brought under the Endangered Species Act.

Mr. TIPTON. Thank you for your testimony. And did you have any questions?

Mr. GRIJALVA. No, I will just wrap—I am going to have just one series when we are all done. I am fine.

Mr. TIPTON. Very good. Mr. DeFazio?

Mr. DEFAZIO. No, I am waiting for the——

Mr. TIPTON. All right. Did we want to wait for Mr. Gosar? Pardon? OK.

I will go ahead and fill in for Mr. Gosar. I know he is on the way back.

Mr. GRIJALVA. Oh, you wanted to do one at a time?

Mr. TIPTON. Yes, sir.

Mr. GRIJALVA. OK, I can——

Mr. TIPTON. Do you want to jump in?

Mr. GRIJALVA. Yes, please.

Mr. TIPTON. OK. Great. I will defer to the Ranking Member.

Mr. GRIJALVA. Yes, thank you. I appreciate that, Mr. Chairman.

Supervisor Martin, welcome. And what were your initial concerns regarding the contract award for Pioneer Forest Products, can you share that with us?

Ms. TOMMIE MARTIN. You bet I can.

Mr. GRIJALVA. OK, thank you.

Ms. TOMMIE MARTIN. I felt like they did not have a good business plan. And without a good business plan they were not going to get financing. And they haven't yet. And I feel that it is way too important, the whole 4FRI conversation. It rested on a good contractor and told the Forest Service if they didn't have a good contractor they needed to go back out and get one, if they felt like they didn't have one of the two that they had, but to please do not pick a contractor that could not fulfill the contract.

Mr. GRIJALVA. And I think you—in your testimony you speak about the 4FRI effort, how it can work, and the opposition to the contract was being able to perform. And your point——

Ms. TOMMIE MARTIN. Oh, I don't know if they could perform or not. I didn't believe they had—well, actually, I felt like the products that they had picked to say that they were going to sell, one of them was cellulosic biofuel.

Mr. GRIJALVA. Yes.

Ms. TOMMIE MARTIN. There is no such thing at this point. They're in the laboratory. Second, it was finger-jointed panels to make furniture out of. And that industry had shipped overseas 10 years ago. We have a lot of that kind of product coming back out of Asia, but we don't have much of that product coming out of the United States. So I felt like, in fact, their products left a lot to be desired.

Mr. GRIJALVA. Thank you very much, Supervisor. Mr. Groseta, you talked a lot about the impacts of litigation and the ability of Federal land managers to act. So I want to ask you a few questions about the lawsuits that Public Lands Council has been involved with against the Federal Government.

I understand that the Public Lands Council is frequently engaged in litigation against the Federal Government. So how many times would you say the organization participated in lawsuits against the Federal Government the last 10 years, just a question.

Mr. GROSETA. To answer your question, I honestly don't know how many lawsuits the organization has been involved in the last 10 years. I do know now that presently we are involved in litigation regarding the new Forest Planning Rule. And the reason we are involved in that litigation is that the Forest Service, under the new proposed rule, is not following their charge of implementing the multiple-use concept.

Mr. GRIJALVA. If you wouldn't mind, sir, at some point, for the Committee's edification, if you could get us a number on the lawsuits that the Council might be involved with at this point?

Mr. GROSETA. That is the only one that I am aware of.

Mr. GRIJALVA. OK, equal access to justice, another question. I don't think you—you don't think very highly of this Act, I gather, because according to your Web site it says, "Unfortunately, it had become the means of a radical environmental groups to target private citizens by challenging in court their rights to natural resource uses such as livestock grazing." Strong words about the Act, and particularly about the Act's attorney fee provision.

Has your organization, PLC, ever been a plaintiff in a case against the Federal Government where attorney's fees were requested?

Mr. GROSETA. First of all, with the Equal Access to Justice Act, that Act has been abused by——

Mr. GRIJALVA. But my point is, have you accessed any of the attorneys fees.

Mr. GROSETA. No, we haven't.

Mr. GRIJALVA. OK. It is my understanding that PLC is the plaintiff in at least one lawsuit against the Federal Government under the NEPA, is that happening right now? And has PLC ever been the plaintiff in a case that includes claims under the Endangered Species Act, two other areas in which you outlined as impediments to real management and productivity from our public lands?

Mr. GROSETA. As I said earlier, the only lawsuit I am aware that we are involved with is the Forest Planning Rule lawsuit.

Mr. GRIJALVA. Well, in your review there is additional——

Mr. GROSETA. We can get back to you.

Mr. GRIJALVA [continuing]. I believe there is, and if you can share that with the Chairman and the Committee. I would appreciate that very much.

My question is just, I guess, a goose-and-gander question that sometimes we complain a lot about the litigation from certain groups, but it is a democratic, due process mechanism available to all of us. And I am glad PLC has been one of the organizations that has availed itself of that right. With that I yield back.

Mr. TIPTON. Thank you, Ranking Member. I now yield to Representative Gosar for his questions.

Dr. GOSAR. Well, first of all Tommie and Andy, thank you very much for traveling and spending a long day in a hearing room. At least it has aired out a little bit.

Andy, one of the things I know the Ranking Member was talking about, Equal Access to Justice. And, I mean, we can all understand where a lot of this litigation is going to. We want to identify it. In fact, the Department of Justice has not even provided us with the documentation on who accesses that, and we are doing that now in our committees. That is how bad we don't have the numbers. But from what we have seen, it is much more on the environmental groups than any of the others, in combination.

My question to you is that a lot of the litigation that you actually have to come forward with is actually survival, is it not?

Mr. GROSETA. That is correct.

Dr. GOSAR. So, let me ask you another question. Have you ever had and been afforded a private meeting with the Department—the Secretary of the Interior?

Mr. GROSETA. No, I haven't.

Dr. GOSAR. Are you aware of other groups that were afforded that for endangered species and for specialized groups, for environmental groups?

Mr. GROSETA. Yes.

Dr. GOSAR. Yes, that would be the answer. So, I think from the standpoint of holding our own, we have to have an equal balance across the board. And the facts set you free.

And so, Supervisor Martin, you are in a—especially out in the west, but more importantly, you and your aspect as a Supervisor, I know the burden of the Federal Government's failure to properly manage our public lands frequently falls on you and the local gov-

ernment, and particularly county supervisors. You are not only economically strained by the lack of a tax base—probably less than 10 percent taxable base, right, in your county——

Ms. TOMMIE MARTIN. One-and-a-half percent.

Dr. GOSAR. Wow. Could you say that a lot louder?

Ms. TOMMIE MARTIN. One-and-a-half percent.

Dr. GOSAR. Wow. But frequently local governments have to spend scant funds to address emergency situations. Is that true?

Ms. TOMMIE MARTIN. That is true.

Dr. GOSAR. How has Gila County specifically responded to the continuing fire threat posed by the severely overgrown Tonto Forest? I think everybody needs to hear this, a very great——

Ms. TOMMIE MARTIN. In 2006 we were rated number one for fire threat in the southwest region. And the one-half percent that is our land base in the north, in the northern end of that county, is 70 percent of our assessed valuation. So we are 100 percent vulnerable to wildfire.

We immediately began—we built a collaborative team of all the fire chiefs, anybody that had a stake in this, and from that, the county put together what we called firewater. We went and got 20 to 50,000-gallon fuel bladders, surplus, took a 10-foot culvert and cut them in 10-foot lengths. We all came off of ranches and we would do that with 3-foot culvert pipe and make horse troughs and cow troughs.

So we said we would make a helicopter trough, and we have a 10-foot culvert, 10 foot tall, and what we wound up doing was having 30,000 gallons of water sitting out there, at the minimum, helicopter-ready, whether it was a type 1, 2, or 3 helicopter, filled them with water. We have our sheriff's posse monitor them. I have pictures, if you want them. It is part of my written testimony, also. We wound up spending about $1 million in putting 25 of those setups out plus matching the communities up to $50,000 a piece to cut a fire break on their southwest side, which is the vulnerable side in our county, for fire coming their way, to have a fuel break that they could at least backfire away from and not burn the community down. Did those on Federal land.

There are other costs there, we bought 11 Honda pumps to hook everything up together so that there was water available all the time. Our most recent success story was last year on the Poco Fire around Young. We were able to help the Forest Service hold that fire to 30,000 acres. They thought every day it would go to 500,000. And when it was all said and done we all got plaques about, "Yay, you gave us water." But we ran water into those bladders and into those tanks for those type 1 helicopters to pull 2,500 gallons at a time out, and keep that fire surrounded. Otherwise, we would have had the last piece of that rim burn last year.

Dr. GOSAR. Yes. Well, thank you very much for your ingenuity. I mean that is the one thing——

Ms. TOMMIE MARTIN. I call it our redneck ingenuity, OK?

Dr. GOSAR. Before I wrap up—I have 25 seconds here—Andy, in the President's budget, once again we are in this process of taxes and spending. I see that the tax increase, as the President has proposed, has been proposed on an increase in grazing fees. This is an arbitrary tax that I oppose. Andy, would you tell me just a little

bit about how this would affect the ranchers, if it was implemented?

Mr. GROSETA. Well, Congressman Gosar, I guess the short answer is it will put a lot of family ranches out of business. In these times of economic uncertainty, with ranchers facing drought throughout different pockets in the West, with ranchers taking voluntary reductions, with ranchers taking forest reductions implemented by the agency because of ESA issues, NEPA issues, whatever the issue may be, our capacity to produce wealth, to produce income, has been diminished over the past several years.

And we all know what state the economy is in right now. So this is the worst thing that can happen to the cattle industry out in the West. It will put a lot of family ranches out of businesses.

Dr. GOSAR. Thank you. Mr. Chairman, I would like to do some—put some statistics into the record for if we were to mitigate, and one of the smaller fires up by the Schultz Pass Fire in Flagstaff, if we would have mitigated that, the cost would have been a minimum of one-tenth, at least one-tenth less than what we saw in mitigation charges for fighting a fire. So I would like to make sure that is in the record.

Mr. TIPTON. I appreciate that. Without objection, that will be noted for the record.

And, Congressman Gosar, I am happy to yield my time, even though you have already used a minute of it, back to you if you did have a couple of other questions.

Dr. GOSAR. Oh, I do. Thank you, Mr. Chairman.

If we were to actively—now everybody understands the situation in Gila County, OK. With a massive amount of land, if we were to get this project off, what would this mean financially, potentially, to Gila County?

Ms. TOMMIE MARTIN. It would depend upon the value of the product, I think, at this point in time. It could mean a great deal to us, and it could not. And that was one of my comments, what I would like to really take a good, hard look at is there money there to be had at a 25-percent level, or do we need to do something else. Is there a creative—the product that Gila County has, we have some timber but we have mostly brush. OK?

And can I finish answering a question a while ago? I have a picture that I want to share with you all. We call it smoky burning, OK? It is what led to that set-up. And I would like to hand these pictures off to you, also. All righty?

Dr. GOSAR. We would love to have them for the record.

Ms. TOMMIE MARTIN. To go into this record. Back to the answer to your question, I would like to know more about exactly what the value of the product is. If it is in power, that is one thing. If it is in chip board, that is a whole different thing. It just depends on the product.

Dr. GOSAR. Now—I am sorry, I missed your comments earlier, I was stepping out. I couldn't help myself. There was a moment, so I had to run out and grab another witness.

But you shared a story up in Utah about a ranch that actually is a model.

Ms. TOMMIE MARTIN. Oh, it is.

Dr. GOSAR. Can you tell us a little bit more about it?

Ms. TOMMIE MARTIN. You bet I can. It is the place that I know of in the inner-mountain west that has a building Sage Grouse population, building Pronghorn population, Cutthroat Trout population Sand Hill Crane population, Willow Flycatcher population. Any endangered species that is on the neighbors is a building population on that place. They do it in the presence of up to 11,000 head of livestock cattle, goats, sheep, buffalo at one time. They net—the last time I looked, they net $7 to the acre off of their livestock operation, and 3 on their wildlife operation. So not only is it giving us abundant water, abundant species, it also is giving us true wealth.

That is not a climate consideration, eco-type consideration. It is strictly a matter of management. It is a thinking, decision-making situation. It could happen on any ranch: Andy's, mine, the gentleman that was here that talked about ranching. But it comes from shared goals and shared decisions, true shared decision-making. When we have to give our decision-making up to a monopoly decision-maker from folks who may not have lived in our area even a year, it certainly takes away the opportunities. And Andy and I are left with people that—I hate to say this, but we are now ranching for lifestyle, not livelihood. And we could be ranching for livelihood.

Again, these lands are our basic Nation's wealth.

Dr. GOSAR. Yes.

Ms. TOMMIE MARTIN. And we use money to manage them, instead of taking money from them. We are so upside down in this conversation.

Dr. GOSAR. That is absolutely true. My grandfather was a sheep and cattle rancher. And he was a true environmentalist, just like—I have been out to your ranch, Andy. You can't overdo things, otherwise you stymie yourself the following year. People don't really understand that.

I want to ask you, when you are talking about the royalties from not only forest thinning but also grazing, does that not go into the State land fund, Andy?

Mr. GROSETA. The fees off the Federal lands go to the Federal coffers. And when we graze on State trust lands, those fees go to the State trust, which goes to education.

Dr. GOSAR. Goes to education.

Mr. GROSETA. Right.

Dr. GOSAR. So this is a possible boon-boon for our educational systems.

Mr. GROSETA. It would be a major windfall.

Dr. GOSAR. Wow. Let me ask you a question. In Yavapai County in the fires last year, what kind of economic set-backs did it have in Yavapai County?

Mr. GROSETA. Well, in our particular county we didn't have any major, major fires like they had on the Kaibab. On the Prescott National Forest they did have some prescribed burns.

About 3 or 4 years ago south of Prescott they had the Indian Creek Fire, and that was on the verge of maybe wiping out the southern part of the City of Prescott. And so there are impacts from fires, but not particular to Yavapai County on the Prescott. But once you get up on the rim, on the Kaibab, on the Coconino, that is where the bulk of the timber is in Arizona, and that is

where we need some relief. We need regulatory relief so we can actually go out and produce new wealth off the land.

Dr. GOSAR. Thank you very much, Mr. Chairman, for yielding me that time.

Mr. TIPTON. Thank you, Mr. Gosar. And, panel, thank you for taking the time to be able to be here. And if you need to go ahead and leave, we are going to go ahead and move to our next panel, and we certainly appreciate your time and your contribution to this.

So, our next bill is going to be the draft bill by Mr. DeFazio, and we will begin with Mr. Robertson for your testimony. Thank you for being here, sir.

STATEMENT OF THE HON. DOUG ROBERTSON, COMMISSIONER, DOUGLASS COUNTY, OREGON

Mr. ROBERTSON. Thank you very much, Mr. Chairman, members of the Committee. I am Doug Robertson. I am Chairman of the Board of Commissioners in Douglass County, Oregon, and also President of the Association of O&C Counties. Thank you for giving me the opportunity to be here and testify on the O&C Trust, Conservation, and Jobs Act sponsored by Congressmen DeFazio, Schrader, and Walden.

The O&C Trust, Conservation, and Jobs Act is an attempt to solve a 20-plus-year jobs, forest health, and funding quagmire. The Oregon California Railroad Grant lands have played a unique and critical role in the fabric of Western Oregon communities. The O&C lands only exist in the State of Oregon and were at one point all in private ownership.

This land base grows approximately 1.5 billion board feet of timber every year, and used to have a harvest level of roughly 1.1 billion board feet. Half of the revenue generated from the sale of this timber goes to the O&C counties' general fund, unlike Forest Service revenues, which receipts are shared at 25 percent and are dedicated to schools and roads.

Unlike the laws governing other Federal forest lands, the 1937 O&C Act is a dominant-use statute which places management jurisdiction of these lands under the United States Department of the Interior. These lands are not national forest and are not managed under the principle of multiple use. These lands are managed by the Bureau of Land Management under a dominant-use statute. And that dominant use is timber production within the principle of sustained yield for the benefit of the counties in which they are located.

Due to the listing of the Spotted Owl and the adoption of the Northwest Forest Plan, timber harvest from these lands have been reduced by more than 80 percent. Today the BLM is incapable of coming up with a workable management plan or path forward to meet the stated goals of the O&C Act. Much like other projects on Federal lands, O&C timber sales are continuously protested, appealed, and litigated. And this uncertainty is crushing rural Oregon counties, communities, and economies.

The O&C Trust, Conservation, and Jobs Act places a surface estate of roughly 1.4 million acres of O&C land into a trust to be managed by a Board of Trustees under State and Federal laws that

currently apply to private and State lands in Oregon. This trust concept works very well in the Chairman's own State of Washington, where the Washington Department of Natural Resources produces roughly $125 million annually for the benefit of their communities. This is all accomplished while protecting fish, wildlife, and water resources, as would be the case under the O&C Trust, Conservation, and Jobs Act.

This bipartisan proposal is a unique approach to solve the management issues on a very unique landscape, and was initiated out of the desire, need to find balance, and to provide something of substance for all interested parties, while continuing to observe the principles contained in the 1937 O&C Act.

We recognize it is no longer 1937. And we don't expect to return to harvest levels of 1,100,000,000 feet per year. But we also recognize the Act's sustained yield management principles are as relevant today as they were then. Our goal has been to blend those principles with the changing attitudes of today into a management regimen that provides the balance the public is seeking. This balance includes designating areas for active timber management and other areas for conservation purposes.

Finally, Mr. Chairman, let me just say this. I have been an elected County Commissioner in Douglass County for over 32 years. Many of those years have been spent working on this issue. I have never seen the discussion of Federal forest management with its emotion and suggested solutions and concern elevated to this level before. Clearly, fire, insect infestation, disease, the declining health of our Federal forests, and long-term funding of our county governments have struck a note with you and many of your colleagues.

Having said that, it is absolutely imperative that Federal forest management legislation be passed by the House of Representatives and moved to the Senate. For if it is not, the discussion of improving management on our Federal forest lands will end here. And that is something we cannot and must not allow to happen.

Finally, a wise man faced with similar problems as we face today once said, "We can no longer afford to sacrifice the good in pursuit of the perfect." There is no perfect solution to this. We all wish there was, but there isn't. But there are good solutions. And this is one of them. Thank you for your time and consideration.

[The prepared statement of Mr. Robertson follows:]

Statement of The Honorable Doug Robertson,
Douglas County (Oregon) Commissioner

Mr. Chairperson and Members of the Committee:

Thank you for asking me here today to testify on the O&C Trust Conservation and Jobs Act (OCTCJA) sponsored by Congressmen DeFazio, Schrader and Walden.

The O&C Trust, Conservation and Jobs Act ("OCTCJA") is an attempt to solve a 20+ year, jobs, forest health and county funding quagmire. The Oregon and California ("O&C") Railroad Grant Lands have a unique history and play a critical role in the fabric of Western Oregon Communities. The O&C Lands only exist in Oregon and were, at one point, in private ownership. This land base grows approximately 1.5 billion board feet of timber every year and used to have a harvest level of roughly 1.1 billion board feet. Half of the revenue generated from the sale of this timber goes to the O&C Counties to fund county general funds (unlike Forest Service receipts which are shared at 25% and are dedicated to schools and roads). Unlike the laws governing other federal forestlands, the 1937 O&C Act is a dominant use statute which places management jurisdiction of the lands under the United States Department of the Interior, and directs that the timberlands "shall" be managed:

> . . . for permanent forest production, and the timber thereon shall be sold, cut, and removed in conformity with the principal of sustained yield for the purpose of providing a permanent source of timber supply, protecting watersheds, regulating stream flow, and contributing to the economic stability of local communities and industries, and providing recreational facilities . . . (43 U.S.C. § 1181a)

Due to the listing of the spotted owl and the adoption of the Northwest Forest Plan, which has failed to produce even its modest targets, timber harvests from these lands have been reduced by more than 80%. Today the BLM is incapable of coming up with a workable management plan or path forward. Much like other projects on Federal lands, O&C timber sales are continuously protested, appealed and litigated. This uncertainty is crushing rural Oregon counties, communities and economies.

The OCTCJA places the surface estate of roughly 1.4 million acres of the O&C lands into a trust to be managed by a board of trustees under State and Federal laws that currently apply to private, local and state lands in Oregon. This trust concept works very well in the Chairman's own State of Washington where the Washington Department of Natural Resources produces roughly 125+ million dollars, annually, for the benefit of their communities. This is all accomplished while protecting fish, wildlife and water resources . . . as would be the case under the OCTCJA.

This bipartisan proposal is a unique approach to solve the management issues on a very unique landscape. Once again, these lands only exist in the State of Oregon, and yet the catalyst that initiated this discussion was the requirement to find balance, and to provide something of substance for all interested parties while continuing to observe the principles contained in the 1937 O&C Act. We recognize that this is no longer 1937, and we do not expect to return to harvest levels of 1.1 billion board feet per year. But we also recognize the Act's sustained-yield management principles are as relevant today as they were then. Our goal has been to blend those principles with the changing attitudes of today into a management regime that provides the balance the public is seeking. This balance includes designating areas for active timber management and other areas for conservation purposes.

Finally Mr. Chairman, let me just say this; I have been an elected Commissioner in Douglas County, Oregon for 32 years. Many of those years have been spent working on this issue. But I have never seen the discussion of Federal forest management with as many suggested solutions and concern on this level. Clearly jobs, fire, insect infestation, disease, the declining health of our Federal forests, and the long-term funding of our local, county governments after the loss of secure rural schools payments, have struck a note with you and many of your colleagues. Having said that, it is absolutely imperative that Federal forest management legislation be passed by the House of Representatives and move to the Senate, for if it does not, the discussion of improving management on our federal lands will end here and we cannot and must not allow that to happen.

Someone much wiser than I once said . . . we can no longer afford to sacrifice the good in pursuit of the perfect. There is no perfect solution to this issue, but there are good solutions, and this is one of them. Thank you for your time and attention.

Mr. TIPTON. Good testimony. Thank you, Mr. Robertson. We appreciate that.

Now proceed to Mr. Tuchmann for your testimony, please.

STATEMENT OF TOM TUCHMANN, FORESTRY AND CONSERVATION FINANCE ADVISOR, OFFICE OF GOVERNOR JOHN A. KITZHABER, STATE OF OREGON

Mr. TUCHMANN. Thank you, Mr. Chairman, members of the Committee. My name is Tom Tuchmann and I serve as Governor John Kitzhaber's Forestry and Conservation Finance Advisor. The Governor thanks you very much for the invitation to participate today. I think you know he is unable to do so, as the Oregon Legislature is in session.

The Governor would also like to recognize Congressman Peter DeFazio, Congressman Walden, and Congressman Schrader for

their strong leadership on this very, very difficult issue. Oregonians—indeed, all Americans—feel very strongly about their public lands, and it takes real courage to step forward and propose changes that are reflected in the O&C Trust, Conservation, and Jobs Act. And your leadership is greatly appreciated back home.

Mr. Chairman, the Governor holds very strong conservation values and believes public lands can and should be managed to provide clean water, threatened-endangered species habitat, recreational values, and a diversity of forest types and ages. Yet he also believes a portion of these lands can simultaneously provide some sustainable level of timber to support local communities and regional economies. Some say these are mutually incompatible goals. But given our large, resource-rich public land system, the Governor respectfully disagrees.

Commissioner Robertson went into detail on the background of the O&C Act and I would like to really cut to the chase here and say that the Governor feels that the pendulum has swung from harvest levels in the 1980s that largely did not sustain a wide array of conservation attributes to current practices that forecast only a 15- to 25-year window of thinning sales that are left.

Timber volume produced from thinnings is good. It provides valuable resource to mills, but does not provide adequate quantity and quality of logs to local mills, nor do they produce adequate funds for basic public services in the 18 O&C counties that Commissioner Robertson referenced.

The Northwest Forest Plan is working with regard to conservation objectives, but it is not working with regard to its timber objectives. While increased Federal timber harvests will not solve all of Oregon's economic challenges, it can and should serve as the foundation for doing so.

So, where do we go from here? While the Governor would like to work with Congress to make changes that incorporate broader conservation protections, he appreciates that the O&C discussion draft provides predictability for local timber industry, county governments, and for old growth protection. The Governor stands ready to do his part, has already been deeply involved in this issue. His written statement summarizes both a report based on the results of a panel convened—this panel included conservation, timber, and county representatives—and also his recommendations based on that report.

The Governor encourages Congress to use elements of the O&C Act discussion draft, the panel report, and his recommendations to craft a bill that can be signed into law this session. He feels confident that if we think creatively and outside the box, as he says, that we can optimize what everybody wants from our O&C forests.

Thank you again for this opportunity. I will be happy to answer any questions you might have.

[The prepared statement of Governor Kitzhaber follows:]

Statement of Governor John A. Kitzhaber, MD, State of Oregon

Mr. Chairman and members of the Subcommittee, I am Governor John Kitzhaber and I am pleased to provide my perspective on issues related to the Oregon and California (O&C) lands in Oregon.

I would like to thank you Mr. Chairman and members of the subcommittee for taking the time to address this important and unique issue in my state. I would

also like to recognize Congressman Peter DeFazio, Congressman Greg Walden and Congressman Kurt Schrader for their strong leadership on this very difficult issue. Oregonians, indeed all Americans, have strong and diverse views regarding how public forests should be managed. It takes real courage to step up and propose the changes that are reflected in the *O&C Trust, Conservation and Jobs* Act. Thank you for your leadership and please know it is appreciated back home.

Mr. Chairman, I hold very strong conservation values. I believe that our public lands can and should be managed to provide a diversity of forest types, including ecosystems ranging from early to late successional stages and preserving old growth. Our forests should provide clean water for domestic uses and for aquatic ecosystems to flourish. Our forests should be managed so that Americans have places to recreate and come to appreciate the tremendous natural values of our forests, grasslands and waterways. Yet, I also believe a portion of these public lands can simultaneously provide some sustainable level of timber to support local and regional economies.

Some say these are mutually incompatible goals, but given our large, resource rich public lands system, I respectfully disagree. We are currently at a place regarding Oregon's O&C lands where the pendulum has swung from harvest levels in the 1980s that largely did not sustain a wide array of conservation attributes to current practice that only forecasts a 15 to 25 year window of thinning sales. Timber volume levels from thinning alone do not provide adequate quantity and quality of logs to local mills, nor do they produce adequate funds for basic public services in the 18 O&C Counties.

So where do we go from here? The status quo is not working and while increasing federal timber harvest will not solve all of rural Oregon's economic challenges, it can serve as a foundation. Congress should act to find a solution for O&C lands that helps Oregon counties improve financial stability, ensures adequate supplies of timber to support mills and jobs, and continues to meet aquatic and land conservation goals.

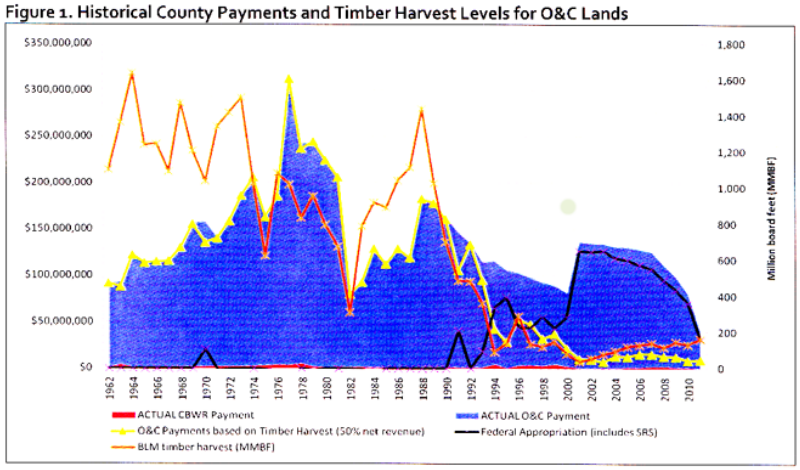
I am a strong supporter of our nation's environmental laws, but I believe it is time to modernize the O&C Act and to update the application of the Northwest Forest Plan in a manner that provides more certainty for conservation, timber supply and County revenues. The O&C Act was written decades ago and the Northwest Forest Plan is now 20 years old and has not delivered on all of its timber supply commitments. I believe we can adapt the O&C Act and the Northwest Forest Plan in a manner that optimizes what we conserve and produce from our public lands. In the case of the O&C forests, here is our story and here are some ideas for the Committee's consideration on how you might build on the *O&C Trust, Conservation and Jobs Act* moving forward.

O&C Lands—A Brief Background

The Oregon and California Revested Lands Sustained Yield Management Act of 1937 (O&C Act) revested 2.6 million acres of forestland in western Oregon to the Federal government. The O&C Lands had been intended as compensation for the construction of a railroad but were revested after discovery that sales of the O&C Railroad Company violated Federal law. After revestiture, the Federal government agreed to share timber revenue, in lieu of foregone property taxes, with the 18 counties within which the O&C lands were located. In addition to establishing a fiscal relationship, the O&C Act included a mandate to provide a sustained level of timber harvest and a community stability clause to ensure the economic viability of local economies. The Act also included conservation requirements in calling for the protection of watersheds and regulations of stream flows.

Through the late 1980s, the O&C Lands were managed by the Bureau of Land Management (BLM) to produce timber under the sustained yield mandate. For a 30 year period through 1989, timber harvests on the O&C Lands averaged 1.1 billion board feet (BBF). The resulting payments to the O&C Counties over the same time period averaged $151 million (in 2011$). Figure 1 shows annual timber harvest and payments derived from the O&C lands from 1960–2011. Note that even prior to significantly reduced timber harvest levels beginning in the early 1990s that timber harvest levels and total payments to counties (blue shaded area) demonstrate appreciable annual fluctuation due primarily to conditions in timber markets. Most notable is the recession that spanned the late 1970s and early 1980s. One can speculate that if payments were coupled to timber harvests today, a similar response would have occurred during our recent economy.

Figure 1. Historical County Payments and Timber Harvest Levels for O&C Lands



O&C Lands Sustain Multiple Values

In its original interpretation, sustained yield is a relationship where the volume of timber harvest equals the volume of forest growth on an annual basis. During the 1960s and 1970s, many American's felt that the concept of sustainability, particularly as it relates to the management of our federally-owned forests, should be broadened to incorporate not just fiber supply but other forest attributes. The Multiple Use Sustained Yield Act (1960) required federal agencies to manage for non-timber values in addition to producing forest products. The Federal Land Management Policy Act (1976) and the National Forest Management Act (1976), along with the Endangered Species Act (1973) and Clean Water Act (1972), collectively broadened sustainability criteria in forest planning and management.

Throughout the mid-to-late 1980s, a series of lawsuits sought to further interpret these environmental laws regarding forest management practices in the Pacific Northwest. Litigants sought injunctions against the harvest of timber in northern spotted owl (NSO) habitat. Between 1985 and 1990, Congress bypassed court-granted injunctions and provided certainty of timber harvests in the region through so-called "sufficiency language". This language declared certain federal actions (i.e. USDA Forest Service timber sales) "sufficient" to meet existing environmental laws. New information indicating the decline of NSO population ultimately led the U.S. Fish and Wildlife Service (USFWS) to list the NSO as 'threatened' under the Endangered Species Act (ESA) in 1990. Subsequently, U.S. District Courts entered injunctions barring timber harvests on forests managed by both the U.S. Forest Service (1991) and Bureau of Land Management (1992).

The Courts required that the BLM maintain habitat for threatened and endangered species per the ESA. To simultaneously satisfy these requirements, the Clinton Administration initiated the development of the NW Forest Plan that applied the same Standards and Guidelines on both USFS and BLM jurisdictions.

The NW Forest Plan created and applied two unique conservation strategies in an attempt to remove the injunctions on timber harvests: 1) the role and allocation of late-successional old-growth forest reserves and 2) the development of an Aquatic Conservation Strategy (ACS)—a holistic approach to manage water quality and quantity by implementing a watershed analysis and restoration strategy. These strategies were integrated into a mix of land allocations, including old growth/habitat, riparian reserves and Matrix lands for timber production. The majority of O&C Lands are in some form of reserve, leaving 25% available for timber production.

Under the NW Forest Plan, conservation objectives have trended upward. Results from a 15-year monitoring report [1] underscore the role of federal forests in maintaining old-growth in western Oregon. Old-growth has experienced a slight net loss but that loss is well below the projected 2.5% decadal loss rate projected when the NW

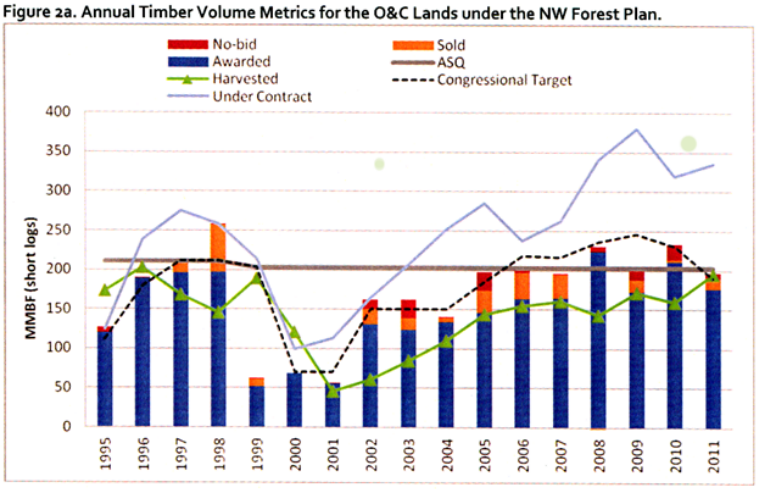
[1] http://www.reo.gov/monitoring/reports/15yr-report/index.shtml.

Forest Plan was written. Watershed evaluation showed that 69% of watersheds[2] have experienced a positive change. Populations of and habitat for NSO and marbeled murrelets are still in decline across the region largely due to the fact that recruitment of suitable habitat is slow, often requiring 100+ years to develop from young forests. Projections of trends show substantial representation of 150+ year old stands by 2050.

Average annual timber supply from the O&C Lands was projected at 203 million board feet (MMBF).[3] Since 1995, the BLM has offered for sale 84% of that volume target.[4] Actual average annual harvest on O&C lands has averaged 120 mmbf/year,[5] ranging from 38 mmbf (2001) to 288 mmbf (1996). Figure 2-a shows annual timber metrics since 1995. Note that Congress measures the BLMs annual performance against 'Volume Sold' and that timber purchases typically have 3–5 years to conduct harvests.

More recently, primarily resulting from a 2006 settlement,[6] O&C timber volume has matched the NW Forest Plan projections. However, Figure 2-b shows that thinning volume has increasingly constituted the majority of total volume sold. In contrast, the NW Forest Plan projected that 80% of timber volume would result from regeneration harvests. A little-known accompanying report to FEMAT[7] showed a potential increase in timber harvest after initial implementation as second-growth forests matured and became economically-available for harvest.

Figure 2a. Annual Timber Volume Metrics for the O&C Lands under the NW Forest Plan.



[2] Watersheds were analyzed at 6th field hydrologic units (HUC), approximately equivalent to 20,000 acres.

[3] All volume numbers included here are for 'long logs' for comparison with the NW Forest Plan. The BLM standard is to report in 'short logs'. To convert to short logs, divide by 0.825.

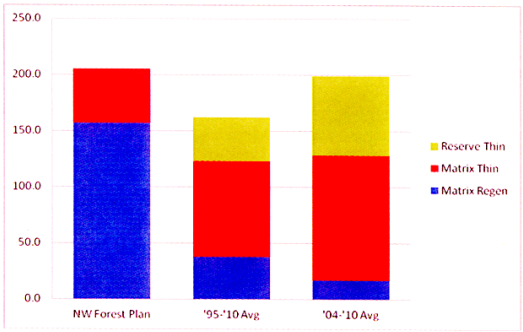
[4] Since 1995, the BLM has offered 96% of the volume Congress has funded them to produce.

[5] From 1962–1990, the BLM timber harvest averaged 1.0 billion board feet per year. Annual harvest under the NW Forest Plan is only 12% of this historical volume.

[6] In 2004, the USFS and BLM issued a Record of Decision (ROD) attempting to remove Survey & Manage from the NW Forest Plan entirely but it was overturned in 2006. As part of this decision, parties agreed to the 'Pechman exemptions' whereby four categories of actions, including thinning of forest stands less than 80 years old, would be permitted.

[7] The Forest Ecosystem Management Assessment Team conducted a risk analysis for management of forests in the region of the Northern Spotted Owl which became the foundation for the NW Forest Plan.

Figure 2-b. Comparison between NW Forest Plan Projections and Annual Timber Volume for Two Time Periods.



Future thinning opportunities on O&C Lands vary by BLM District, resulting in geographic disparity and generally reduce the size, quality and species diversity of timber supply. At current, mills in western Oregon report an additional 1 billion board feet (BBF) of milling capacity, however, issues such as log exports and the housing market also have an effect 0n capacity.

While thinning is a valuable ecological forest management tool and provides fiber for manufacturing facilities, the economics of thinning operations make it difficult to simultaneously achieve County payment objectives. Although impacted by the economy, harvest volume between 2004–2010 would have yielded only $12.9 million in payments to O&C Counties (compared against $113.9 million funded through Secure Rural Schools). The O&C Counties indicate that this total is roughly one-tenth of the revenue needed to fund basic services provided by local governments. Not surprisingly, O&C Counties are facing unprecedented financial challenges with 5 or 6 counties facing insolvency and another 5 or 6 facing significant challenges.

With this in mind, I believe it is time modernize the O&C Act and The Northwest Forest Plan in a manner that provides more certainty for conservation, timber supply and county revenues. I believe we can draw upon our experience implementing these guiding laws and administrative actions to adapt them without weakening their intent though I know that some may feel differently.

Exploring Potential Management Scenarios for the O&C Lands

In October 2012, I convened a panel to address challenges related to O&C issues and to advise me on potential O&C solutions. The *O&C Trust, Conservation and Jobs Act* along with a set of principles drafted by Senator Ron Wyden and another set drafted by myself served as the starting point for our discussions. The Panel met 15 times over a 3-month period and my staff published a report based on these meetings that can be downloaded at http://www.oregon.gov/gov/GNRO/docs/OCLandsReport.pdf.

While most people think of O&C lands as those 2.1 million acres managed by the BLM, there are additional categories of O&C and BLM lands that the Panel chose to include in its analysis. Table 1 provides a breakdown of these 2.8 million acres.

Table 1. Acres under management of the NW Forest Plan

	Acres
NW Forest Plan (OR, WA , CA)	24.5 million
US Forest Service (Oregon only)	7.1 million
O&C Lands (all in Oregon)	2.6 million
BLM – O&C	*2.1 million*
BLM – Coos Bay Wagon Roads	*74,600*
BLM – Special Act Lands	*29,700*
USFS – Controverted Lands	*462,700*
BLM Public Domain Lands (west side)	200,000

The Panel agreed to analyze a range of management scenarios including the current "thin only" approach, two runs based on the *O&C Trust Act* concepts, two ecological forestry runs, and options that included a small land sale and community forestry component. More description of the modeling runs is included the report.

Modeling results demonstrated a wide range of potential timber harvest and associated county revenues. Table 2 shows that continuing the "thin only" approach (Run A) would generate the current timber volume for less than 25 years and only return less than $15 million annually to the O&C Counties. On the high end of the range, a Trust authorized by the *O&C Trust Act* managed under the Oregon Forest Practices Act (Run B) would generate 700 MMBF of timber supply and $165 million of county revenues annually.

The runs that included some kind of ecological forestry component (Runs D, E, F, G) generated slightly increased annual timber supply volumes in excess of NW Forest Plan timber targets. Revenue projections were similar among this group with the exception of Run F that evaluated the sale of 200,000 acres of O&C Lands. The thinking is that sale proceeds would be used to create a financial trust for benefit of the O&C Counties. Analysis suggested the sale would generate $910 million that, if placed in a financial fund with a conservative rate of return at 5%, would produce consistent annual revenue of $46 million for the O&C Counties. Timber receipts would generate the additional revenue projected to meet the total shown in Table 2.

Table 2. Timber Supply and County Revenue Modeling Outputs from O&C Panel Report.

		OUTPUTS				
Run	Descriptor	No Harvest Reserves (acres)	Sustained Timber Base (acres)	Other Harvest ** (acres)	County Revenue ($ Million)	Timber Supply (MMBF/yr)
A	Thin Only	1,992,544	0	772,634	$13	185
B	Management Trust, OFPA	1,109,188	1,655,990	0	$165	700
C	Management Trust, 20% Riparian Buffer	1,379,706	1,385,472	0	$127	565
D	Critical Habitat & Ecological Forestry	1,724,613	544,464	496,100	$27	205
E	Critical Habitat, NWFP, Ecological	1,623,527	645,551	496,100	$34	261
F	Land Sale (200K) & Ecological Forestry	1,646,613	622,465	496,100	$67	439 then 261
G	Community Forest (400K) & Ecological Forestry	1,540,967	728,111	496,100	$36	240

** Other Harvest Acres were treatments modeled primarily to improve habitat and were not assumed to recur over time.

Ecological Effects

A major challenge given the Panel's timeframe was completing a robust analysis of the ecological effects of these management scenarios. Relating to habitat for the Northern Spotted Owl (NSO) and marbeled murrelet (MAMU), the Panel did undertake an analysis of the intersection of proposed harvest units to two measures: Suitable Habitat and Critical Habitat. Due to time and budget constraints, the Panel contracted this analysis for selected runs (Run A, Run C, Run D, and Run F).

Suitable habitat is assessed at the stand level and combines an array of measurements including canopy closure, tree diameter, and structural diversity. A rough approximation for suitable habitat is any native forests older than 120 years although stands between 80–120 years serve as habitat where distribution of older forest is limited.

Our analysis showed that suitable habitat for NSO increased as after 50 years of implementation for all runs. However, projection of suitable habitat for MAMU declined when applying the Trust in Run C but increased under Runs D & F.

In the midst of the Panel's work, the U.S. Fish and Wildlife Service (USFWS) released their final Critical Habitat rule for the Northern Spotted Owl (NSO). Critical habitat is a network of large landscape areas designed specifically to fulfill an endangered specie's range of needs, including nesting, roosting and foraging habitat.

In general, implementation of Run C as modeled would have significant impact on Critical Habitat as identified by USFWS. For Run C, approximately 27% of the identified Critical Habitat acres on the O&C Lands were scheduled for a regeneration harvest over the first 50 years of management. With additional thinning, 55% of Critical Habitat on O&C Lands would experience a harvest in the first 50 years.

By design, no regeneration harvests were scheduled in Critical Habitat for Runs A, D & F. Thinning was prescribed however and was scheduled in 35% of stands identified by the USFWS. Due to time constraints, the Panel was not able to conduct population modeling as used by USFWS but ultimately it would be important to do so to understand the risk of increased harvest to future species viability.

Conclusions and Recommendations[8]

Given the short timeframe allowed and recognizing the inherent role of Congress in the ultimate resolution, development of a detailed proposal proved difficult for the O&C Panel. However, I believe significant process was made in three important areas:

- First, a foundation of understanding and trust was created between Panel participants.
- Second, it is clear that federal legislation is needed to achieve any significant progress.
- Third, O&C Lands Report contains an array of ideas that could be integrated in different ways to create a durable solution for all parties.

Based on the Panel's consideration and these conclusions, I believe a legislative solution can and should be passed into law that includes the following equally important elements.

- **Stable Timber Supply**—Stable and predictable timber sale levels above current harvest levels can and should be achieved with minimal impact old growth and aquatic ecosystems.
- **Adequate County Funding**—Timber harvest and/or revenues generated from land disposition can significantly improve the stability of O&C counties. Oregon and state and local governments should share in the responsibility to fill any gap that may remain between timber revenues and the funding required to keep counties fiscally viable.
- **Protect Unique and Special Places**—There are approximately 118,000 acres deserving of wilderness protection and an additional 30,000 acres worthy of protection as part of a conservation network. Additional acres should be considered for protection as priority watersheds for fish habitat as salmon strongholds and Wild and Scenic River designation.
- **Durable and Adaptive Conservation Standards**—To achieve timber harvest goals on Federal land, ecological forestry-based regeneration harvest should be used in stands 120 years old or younger, and certain riparian buffers should be modified in recognition of evolving science that concludes such modifications can be made. Once these modifications have been made, the late successional old growth strategy and aquatic conservation strategy components of the Northwest Forest Plan should be institutionalized in a manner that dedicates those areas to the conservation of endangered species and other conservation values as the dominant use. And adaptive management process should be developed to incorporate future scientific findings where and when appropriate.
- **Achieve Certainty**—The O&C Act should be amended to include some combination of a dominant use mandate on certain acres for timber production and on other acres for conservation. In addition, a reallocation of some nonstrategic acres should be made to a trust and/or sold to a community nonprofit or private buyer. Together such actions would create certainty for an array of different forest uses and outputs.
- **Tribal Considerations**—A number of tribes exist with ceded lands and ancestral history tied to the O&C land area. I believe an O&C solution should consider land management impacts on these tribes' ancestral lands, participation in management authority and/or land restoration requests.

In closing Mr. Chairman, I would strongly encourage the Committee to pass legislation that includes the elements outlined above and then work with your colleagues in the Senate to craft a balanced long-term solution. I feel confident that if we think in creative new ways that we can provide for most of what everybody wants from our O&C forests. Conversely, failure to act is bad for our rural communities and in the long run bad for our conservation efforts as well.

Thank you again for this opportunity to testify and I would be happy to answer any questions you may have.

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[8] See letter submitted to the Oregon Congressional Delegation on February 6, 2013. http://www.oregon.gov/gov/GNRO/docs/OCDelegationLetter.pdf

Appendix

Item A. Governor Kitzhaber's O&C Lands Principles

- **Stable County Funding**—Recognize the O&C Act's unique community stability mandate and provide adequate and stable county revenues sufficient to meet needs for basic public services.
- **Stable Timber Supply**—Provide adequate and stable timber supply that will provide for employment opportunities, forest products and renewable energy.
- **Protect Unique Places**—Permanently protect ecologically unique places.
- **Durable & Adaptive Conservation Standards**—Maintain Northwest Forest Plan forest management standards—Late Successional/Old Growth Reserves & Aquatic Conservation Strategy—in an adaptive manner where and when required to comply with environmental laws.
- **Conservation Opportunities**—Promote conservation advances on private "checkerboard" lands through voluntary, non-regulatory incentives—financial, technical, regulatory relief, etc.
- **Federal Budget Neutral**—Recognize that O&C solution will need to be budget neutral or positive at the Federal level.
- **Achieve Certainty**—Develop a policy framework that will provide for certainty in achieving *all* of these principles.

Item B. Participants on Governor Kitzhaber's O&C Panel

- **O&C County Representatives**
  Jamie Damon—Clackamas County Commissioner
  Doug Robertson—Douglas County Commissioner
  Simon Hare—Josephine County Commissioner
  Tony Hyde—Columbia County Commissioner
- **Conservation Representatives**
  Sybil Ackerman—Sybil Ackerman Strategies
  Greg Block—Wild Salmon Center
  Bob Davison—Defenders of Wildlife
  David Dreher—Pew Charitable Trust
  John Kober—Pacific Rivers Council
  Jack Williams—Trout Unlimited
- **Timber Industry Representatives**
  Allyn Ford—Roseburg Forest Products
  Ray Jones—Stimson Lumber Company
  Jennifer Phillipi—Rough and Ready Lumber Company
  Dale Riddle—Seneca Sawmill Company

Mr. TIPTON. Thank you very much, Mr. Tuchmann. And Mr. Kulakowski—did I get that right?

Dr. KULAKOWSKI. You did.

Mr. TIPTON. Great. If you would like to give us your testimony.

Dr. KULAKOWSKI. Thank you.

STATEMENT OF DOMINIK KULAKOWSKI, PH.D., ASSISTANT PROFESSOR, SCHOOL OF GEOGRAPHY, ADJUNCT ASSISTANT PROFESSOR, DEPARTMENT OF BIOLOGY, CLARK UNIVERSITY

Dr. KULAKOWSKI. Thank you, Mr. Chairman, members of the Committee. My name is Dominik Kulakowski. I have been researching insect outbreaks and fires in the Rocky Mountain Forest for 15 years. I have authored numerous peer-reviewed scientific papers on these topics. During this time I have worked as a research scientist at the University of Colorado, and I am now a professor at Clark University, where I continue this research.

In recent decades wildfires have burned millions of acres of forests, and insect outbreaks have killed trees over an even larger area. My research, as well as that of many other scientists, indicates that both of these disturbances are being driven by climate.

A critical issue in this context is whether and to what degree outbreaks may heighten the risk of active crown fires, which are particularly dangerous, due to their high intensity and rate of speed.

The answer to this question is complex. But the bottom line is that any influence of outbreaks on fire risk is small compared to the overarching influence of weather, which is much more important.

For example, my research group recently completed a study in which we examined the occurrence of severe wildfires in Lodge Pole Pine forests in Colorado over the past century. We found no detectable increase in the occurrence of high-severity fires following Mountain Pine Beetle outbreaks. Instead, we found that wildfires have overwhelmingly occurred in years of drought. We also found a similar overarching influence of drought on fires in spruce forests that had been affected by outbreaks. In sum, catastrophic fire is not an inevitable outcome of Bark Beetle outbreaks. Instead, climate exerts the dominant influence on fire risks in these forests.

Given prolonged and recurring drought conditions, there is a need to protect homes and communities from wildfire. Previous research has shown that reducing flammable material in the immediate vicinity of structures and replacing flammable building materials such as wooden decks with non-flammable alternatives most effectively protects structures against fire.

Our research has found that focusing fuel-reduction treatments in the immediate vicinity of structures rather than in remote forests would not only be more effective at reducing fire risk to those structures, but would also involve treating less land, and thus would lead to lower financial and ecological costs.

Furthermore, much of the land that primarily determines flammability of homes is not in national forests but, rather, is private land that is adjacent to homes and communities. It is on that private land that fire hazard mitigation is likely to be most effective for protecting structures.

The larger context is that, as a Nation, we are increasingly building homes in fire-prone ecosystems. This type of development in the wildland-urban interface, especially when coupled with prolonged drought, is putting homes and lives at risk. Therefore, an important way of reducing this risk would be to reduce the number of structures that are being built in harm's way.

In addition to protecting communities from wildfire, another important goal of forest management is promoting ecosystem resilience. Over the past century, forests of the Rocky Mountains have been resilient to both wildfires and Bark Beetle outbreaks. Currently, it is unknown whether forest resilience has been compromised by the magnitude and extent of these disturbances, and by an unfavorable post-disturbance climate. Nevertheless, following even very severe Bark Beetle outbreaks, some trees and seedlings survive, and viable seeds remain in the soil. Therefore, promoting ecosystem resilience should complement existing resilience and natural regeneration.

Although ongoing outbreaks understandably have led to widespread public concern about increased fire risk, the effects of outbreaks are not as important as the controlling influence of weather and climate. During drought the risk of fires is often high. And the

most effective way of protecting homes from that risk is by treating land in their immediate vicinity.

More broadly, any comprehensive forest management plan will eventually need to address housing development in the wildland-urban interface, as well as trends in climate. Thank you, Mr. Chairman.

[The prepared statement of Mr. Kulakowski follows:]

Statement of Dr. Dominik Kulakowski, Assistant Professor, Clark University, on H.R. __ Depleting Risk From Insect Infestation, Soil Erosion, and Catastrophic Fire Act of 2013

Chairman Bishop, Ranking Member Grijalva, members of the Committee: My name is Dominik Kulakowski. I have been researching insect outbreaks and fires in Rocky Mountain forests for fifteen years. During that time I have worked as a research scientist at the University of Colorado and I am now a professor at Clark University where I continue this research. I have authored numerous scientific papers on these topics, I have peer-reviewed numerous scientific studies and research proposals, and I have testified before subcommittees of the United States House of Representatives and the United States Senate. My testimony is based on the findings of my own research as well as on the research of other scientists.

Climate is driving outbreaks and fires

In recent decades wildfires have burned millions of acres of western forests and insect outbreaks have killed trees over an even larger area. My research as well as that of many other scientists indicates that both of these disturbances are being driven by climate. Mountain pine beetle and spruce beetle are responsible for most insect-caused mortality across the western United States. Both of these insect species are native to the region and have been important in the development of these forests for centuries. However, recent climatic conditions have favored the growth of beetle populations and have at the same time stressed trees and reduced their capacity to defend themselves against attack. This perfect storm has contributed to the largest outbreaks of bark beetles in recorded history. As with bark beetle outbreaks, large severe wildfires have been important in the development of many western U.S. forests for centuries. However, recent warm and dry conditions have been particularly conducive to wildfires. It is these climatic conditions that are driving the increase in wildfires over the past decades.

A critical issue in the context of recent increases of outbreaks and wildfires is whether, and to what degree, outbreaks may heighten the risk of active crown fires, which are particularly dangerous due to their high intensity and rate of speed. The answer to this question is complex and contingent on the type of forest, the time since the outbreak, as well as the particular fire characteristics in question. Studies based on mathematical models disagree about whether bark beetle outbreaks may increase the risk of fire in some forest types and under very specific weather conditions. While more research remains to be done, it is important to stress that any influence of outbreaks on fire risk appears to be small compared to the overarching influence of weather, which is much more important. Furthermore, modeling results may be highly contingent on the type of model used and the assumptions upon which that model is built. In contrast, empirical research that has examined how beetle outbreaks have affected actual wildfires has overwhelmingly deemphasized the importance of outbreaks versus other variables, including weather. For example, my research group recently completed a study in which we examined the occurrence of severe wildfires in lodgepole pine forests in Colorado over the past century. We found no detectable increase in the occurrence of high-severity fires following mountain pine beetle outbreaks. Instead, we found that wildfires have overwhelmingly occurred in years of drought.

Another example is that of a major outbreak of spruce beetle in spruce and fir forests in Colorado in the 1940s, following which there was substantial concern about increased risk of fire. But although over 300 fires occurred in that region in the decades that followed, our research found that the forests affected by beetles were no more likely to have burned than other forests. Furthermore, no major fires occurred in those beetle-affected forests in the years and decades that followed the outbreak despite the abundance of dead trees. The most likely explanation for this lack of large severe fires is that climatic conditions in these forests are a more important factor in determining fire risk than is the presence of dead trees. In fact, it was not until a severe drought in 2002 that a large fire affected these forests.

During that year there were many wildfires in Colorado, the majority of which burned forests with no recent history of outbreaks.

During the drought of 2002, wildfires also burned some forests in northern Colorado that were attacked by beetles just prior to 2002. The potential increase of fire risk immediately following bark beetle outbreaks is the subject of active research. During this so-called "red phase" dry red needles persist on recently killed trees. It has been hypothesized that the risk of active crown fire may therefore increase during and immediately after outbreaks of bark beetles. Relatively little research has examined fires during the red phase of outbreaks and more research is necessary. However, our examination of the 2002 fires found that outbreaks that immediately preceded those fires affected neither the extent nor severity of fires, most likely because changes in fuels brought about by outbreaks were overridden by weather conditions and other variables.

In sum, catastrophic fire is not an inevitable outcome of bark beetle outbreaks. Instead climate exerts the dominant influence on fire risk in these forests. Therefore, it is primarily climate that we should be focusing on if we want to assess and mitigate fire risk. If conditions are dry enough then the risk of fire is likely to be high and if conditions are not dry enough then the risk of fire is not likely to be high, regardless of the effect of outbreaks. Even when lodgepole pine and spruce forests are made up of live green trees and may not appear to be flammable, the fact is that during drought conditions the risk of wildfire can be extremely high. Although it may be possible that under certain particular conditions there may be a minor increase in the likelihood of fire following outbreaks, the larger and more important context is that the effects of outbreaks are not as important as the controlling influence of weather.

Protecting homes and communities by reducing fire hazard in their immediate vicinity

Given prolonged and recurring drought conditions there is a need to protect homes and communities from wildfire. Generally speaking, fuel-reduction strategies designed to protect homes and communities from wildfire risk can be categorized as those that primarily aim to reduce fuels in remote forest lands or in the immediate vicinity of homes and communities. Previous research has shown that reducing flammable material in the immediate vicinity of structures and replacing flammable building materials such as wooden decks with non-flammable alternatives most effectively protects structures against fire.

Our recent research indicates that almost all of the forests affected by outbreaks are in remote areas rather than in the wildland-urban interface. Furthermore, in the context of limited resources and the goal of protecting homes and communities from wildfire, our research found that focusing fuel reduction treatments in the immediate vicinity of homes and communities, rather than in remote beetle-affected forests, would not only be more effective at reducing fire risk to those homes and other structures, but would also involve treating less land and thus would lead to lower financial and ecological costs. Furthermore, most of the land that primarily determines flammability of homes is not in National Forests, but rather is private land that is adjacent to homes and communities. It is on that private land that fire hazard mitigation is likely to be most effective for protecting homes and other structures.

By focusing treatments in remote forests, we will be using up limited funds and resources while leaving homes and communities at risk of wildfire. Overall, it is going to be more effective and less expensive to focus fire-hazard reduction efforts around homes and communities as opposed to making a wholesale modification of forest structure over large landscapes. Pine branches touching wooden decks are much more relevant to community fire risk than are beetle outbreaks in remote forests. Replacing wooden shingles with a metal roof will do much more to protect homes than treating remote beetle-affected forests.

A larger context is that as a nation, we are increasingly building our homes in fire-prone ecosystems. This type of development in the wildland-urban interface, especially when coupled with prolonged drought, is putting homes and lives at risk. Therefore, an important way of reducing this risk would be to reduce the number of structures that are being built in harm's way.

Promoting existing ecosystem resilience

In addition to protecting communities from wildfire, another important goal of forest management is promoting ecosystem resilience. Over the past centuries, forests of the Rocky Mountains have been resilient to both wildfires and bark beetle outbreaks. Currently, it is unknown whether forest resilience has been compromised by the magnitude and extent these disturbances and by an unfavorable post-disturb-

ance climate. Nevertheless, following even very severe bark beetle outbreaks, some trees and seedlings survive and viable seeds remain in the soil. Therefore, promoting ecosystem resilience is likely to be most effective if it complements existing resilience and natural regeneration.

Conclusion

Although ongoing outbreaks understandably have led to widespread public concern about increased fire risk, the effects of outbreaks are not as important as the controlling influence of weather and climate. The ongoing outbreaks have not increased the risk of wildfire as much as they have drawn attention to the risk that is there due to recurring and prolonged warm, dry conditions. During drought, the risk of fires is often high and the most effective way of protecting homes from fire risk is by removing flammable material from the immediate vicinity of homes and communities and by using fire resistant building materials, not by modifying forest structure in remote areas that have been affected by outbreaks. The former approach would be less expensive, much more effective at protecting public safety interests, and consistent with the best available science. More broadly, any comprehensive forest management plan will eventually need to address housing development in the wildland-urban interface as well as trends in climate.

Mr. TIPTON. Thank you, Doctor, for your testimony. And we will now move on to the questions. And I will go ahead and start.

And, Doctor, I probably just have one question, really, for the panel. We have covered a lot of ground here today during the course of these hearings. But you, like previous panelists, seem to suggest that the beetle outbreaks do not contribute to the fire danger. But what about simple overstocking of the forests? We can't control the weather, we certainly can, though, control the fuel that is going to be available to burn. Wouldn't it be prudent to undertake forest thinning to be able to reduce the intensity of the fires, rather than just to sit back and blame change for the uncharacteristic fires that have resulted from forest overgrowth?

Dr. KULAKOWSKI. Yes. In principle that makes sense. But when we examine how fires have actually behaved in areas that have been thinned, we actually don't see any meaningful effect of those thinning treatments.

So, for example, in the Hayman Fire in Colorado, there were areas that had burned that were treated prior to that fire. And when researchers examined the behavior of the fire, they found actually no effect of those thinning treatments.

Similarly, in Northern Colorado there was quite a large area that was treated after the wind storm that blew down forests in 1997. Again, when wildfires occurred in that area in 2002, our own research found that fires were just as extensive and just as severe in areas that had been treated versus areas that had not been treated.

The reason, I would guess, is because timber harvesting, by design, is intended as an economic endeavor. The small branches, twigs, et cetera, are not as valuable as the larger stems. So the finer fuels are essentially left behind. During wildfire it is those fine fuels that carry fires through treated forests.

Mr. TIPTON. You know, and that's a great point. It is always interesting on studies to where you can find to be able to support your position. One that you might want to actually take a look at—you have been in Colorado—it was a 2010 study of the Tripod Fire. It was published by the Forest Service and the Joint Fire Science Program. And it found that 57 percent of the trees survived in areas where recent mechanical thinning combined with the pre-

scribed burns had occurred, and only 14 percent of the trees survived in areas where no timber management had actually taken place.

And so it is probably trying to find that actual good, commonsense balance to be able to get in and address these areas and to look for the win-win to be able to turn some of these biofuels actually into usable electricity, as well. So, I appreciate your comments.

I would now like to yield to Mr. DeFazio for his questions.

Mr. DEFAZIO. Thank you, Mr. Chairman. And I thank the panel for sitting through a long day and traveling a long way to give your testimony.

There are some policymakers—and I just already saw a quote in a story regarding today's hearing from the Pacific Rivers Council—saying that, in fact, under status quo, we could produce more timber and more revenues for the counties. And I direct my question first to Mr. Tuchmann.

I believe the Governor's task force looked at this issue. And what conclusions did they come to regarding that?

Mr. TUCHMANN. Congressman DeFazio, thank you for that question. As I mentioned in our written testimony, we looked at seven different runs we called them, different options for managing the O&C forests, and Run A was the status quo. It was not how the Northwest Forest Plan was originally intended, but how it is currently being operated on the ground, and that is primarily through thinnings. And that produced about 185 million board feet for probably 15 to 25 years, depending on one's perspective, and I think around $13 million to counties. That is not Secure Rural Schools money, that is if it was just completely dependent on timber harvest and the revenues generated from that.

And with that in mind, I mean, that is an area where the Governor feels the status quo was not working, that O&C Act and the Northwest Forest Plan need to be modernized, modernized in a way that increases Federal timber supply, payments to counties, and also institutionalizes the conservation components of the plan, as well.

Mr. DEFAZIO. OK, thank you. Institutionalizes, meaning permanent protections?

Mr. TUCHMANN. Yes.

Mr. DEFAZIO. OK. The riparian issue was discussed by the panel, or the task force, as I understand it. And there were some comments and concerns about the riparian provisions. Could you address that briefly?

Mr. TUCHMANN. Congressman, yes. The conservation strategy in the Northwest Forest Plan is a success story. We have seen increases in water quality. The 1998 monitoring report has some statistics on that. And some of the concerns—I don't want to speak for the panel members—the concerns from the conservation panelist was that the current discussion draft does not include protections within the trust for riparian areas, and there was a robust discussion of that.

The Governor feels that is an area that he would like to see improved and strengthened in any final resolution to this issue, and it is something that I think would be rationalized not just by the

monitoring report, but also new science that shows that—let me back up.

These buffers were interim buffers. And so, there was the thought when the Northwest Forest Plan was passed that over time there would be more watershed analysis. And based on the particular watershed, that would be increased or decreased. That never happened. And there is some science that is evolving that says, "Hey, we should be doing that. You can reduce a portion of the buffers." Not all of them, but a portion of them, 20 to 60 percent, I think, based on the watershed, and not have an effect on water quality.

Mr. DEFAZIO. And I believe you looked at an option that would incorporate some of additional public domain lands which are interspersed——

Mr. TUCHMANN. That is right.

Mr. DEFAZIO. And applied, then, those buffers, and that did get both a higher water quality and higher harvest levels.

Mr. TUCHMANN. That is right.

Mr. DEFAZIO. That is correct.

Mr. TUCHMANN. Mr. Robertson, do you have any comment on that issue, on the water issue, riparian?

Mr. ROBERTSON. Congressman DeFazio, there is no question that water is a very serious topic for all Oregonians. And as Mr. Tuchmann pointed out, it was a robust discussion within the panel. We feel there is an opportunity for movement to increase protection without having a negative impact on outputs on the land.

Mr. DEFAZIO. OK, thank you. Quickly, and I will have a second round, if I can, Mr. Chairman.

Mr. TIPTON. Sure.

Mr. DEFAZIO. This is very important to us. The discussion draft did not include the recent legislation introduced by Senators Wyden and Merkley regarding settlement with two Tribes that has never been brought to fruition. Do either of you have a comment on the inclusion of those in a final version of this bill?

Mr. ROBERTSON. Congressman DeFazio, Senators Wyden and Merkley have introduced a discussion draft, as you know, proposing something in the neighborhood of 32,000 acres divided between the two unlanded Tribes left in the State of Oregon.

Our concern initially was that if that land was going to come from the O&C land base, that there be something in the way of equal acres value or volume to replace it. In other words, a no-net-loss to the O&C land base. Through discussions subsequent to the release of the draft, Senator Wyden has agreed to that, and we are confident that there will be no negative impact on the O&C land base.

Mr. DEFAZIO. OK, thank you. And the Governor would favor——

Mr. TUCHMANN. Congressman, the Governor would favor that, as well.

Mr. DEFAZIO. OK, thank you. Thank you, Mr. Chairman. I will have another round. Thank you.

Mr. TIPTON. Thank you. Congressman Walden?

Mr. WALDEN. Thank you, Mr. Chairman. And I certainly appreciate the great work that you are doing on these issues. Long ago and far away, when this room was of a different color, I want to

commend you, by the way, with what you have done with the room. It looks pretty nice. I served on this Committee and know its importance to our State and our country.

And I want to thank our witnesses today for your testimony and your collaboration and your help with us on this legislation.

Mr. Robertson, Commissioner, you have certainly been on the forefront of this. I think it sort of sprung from an idea that you had many, many years ago, or the O&C counties did. Are you confident there is the right balance here between the lands going into trust and not going into trust, in terms of the ability to actually produce the revenue and the jobs while operating under Oregon Forest Practices Act, which is a—I think a very responsible statute, when it comes to stewardship of Federal forests? Is this going to get the job done to give you the certainty, as you represent communities all over Oregon, as our witness today, is this going to give you the certainty?

Mr. ROBERTSON. We feel if this proposal were adopted in its current form, it would do that.

As you know, you and your staff, Congressmen DeFazio and Schrader, have worked very hard with many others in trying to ensure that the outputs do meet the requirements both of the counties providing a predictable supply of raw material for the industry, and ensuring significant conservation gains. Understanding that all of those sectors had to be addressed, our feeling is, representing the Association of O&C Counties, that this would get us there. We feel confident it would.

Mr. WALDEN. So you are—and, Mr. Tuchmann, does the Governor feel that way, as well, that we have struck the right balance here, realizing I know you have some suggestions here.

Mr. TUCHMANN. Congressman, this is an area that the Governor would like to work with you more on, over 50 percent of the land base. There are no numbers in the bill, as you know. Some models that we have seen and projected are that over 50 percent of the land base would be put in this type of management. It is an issue that causes great concern to a number of Oregonians, and we would like to work with you on that.

Mr. WALDEN. I appreciate that. Obviously, I assume the Governor supports the Forest Practices Act in the State of Oregon as a responsible management tool for our Federal forests—or our State and county and local forests, private forests, right?

Mr. TUCHMANN. Yes.

Mr. WALDEN. And do you feel—I mean, because that is kind of why we went there as the overriding management tool. Because I feel that. I mean I think it is a responsible way to manage. I am a lifelong, native-born Oregonian.

And so, I think we have to keep in mind that part of the tradeoffs here is that there is a chunk of O&C land that then would not be necessarily active managed, and this would be. And what I want to guard against, because I have seen it happen over time, is the lands we set aside for active management, then get a whole new layer of restrictions, and eventually you haven't accomplished a thing. And that is why there are some interesting handcuffs and release points in here, that if this is thrown out, then the O&C Act comes back, and the wilderness comes back out, and all of those.

Are you all comfortable with those provisions, the sort of handshake provisions?

Mr. TUCHMANN. Congressman, the Governor came out with a report that has seven different options. He thinks that some combination of a trust, a land sale, or dominant use would provide a solution that would be acceptable to all parties. He has not specified what he thinks that right mix is.

I mean, frankly, the view is that the foundation we set with our panel in Oregon should also be brought to Washington and we should finish the job here.

Mr. WALDEN. Well, and that is obviously what my colleague from Lane County and I have tried to do with our colleague from Clackamas County over the years, is come to something we think can move here, in this environment. And so we have made a lot of trade-offs to get to this point. And we will continue to work that. As Peter said this morning, there are things in here he doesn't like, things in here I don't like, and I can tell you some of my constituents don't like and some of his don't like.

So, I am just sort of laying out there I don't know how much more wiggle room there is, but obviously we are open, and—as we have been in the meetings in Portland we had with you and the Governor and others. We are willing to continue the discussion. But I would just caution that this is about trying to get certainty for jobs, certainty for management, certainty for revenues before these counties go broke. And I am committed to continuing in that effort, as I have in the past on legislation like forest restoration and others that became law, that we just have to get this done.

So I appreciate the Governor's leadership on it. I know he has taken some knocks as well. And the Commissioner, thank you for your leadership. And my time has expired. Thank you, Mr. Chairman.

Mr. TIPTON. Thank you, Mr. Walden. And we will go to a second round. Mr. DeFazio.

Mr. DEFAZIO. Thank you, Mr. Chairman. Just in following up on that, you mentioned the new science, Mr. Tuchmann. As I understand it, you are probably referring to Gordon Reeves' work at OSU, which has looked at the Northwest Forest Plan where the interim standards were two mature tree-lengths in all areas, and has concluded that in many areas that could be reduced to one. Not necessarily all areas, but depending upon the sensitivity, the slopes, the soils, et cetera, et cetera. Is that what you are referring to there?

Mr. TUCHMANN. That is what I am referring to. And I think it is important to clarify that, as we have heard on panels past, this is not a one-size-fits-all solution. What I think Dr. Reeves and his colleagues would recommend is that we need to go in on a watershed-by-watershed basis. And, based on that watershed and what that analysis provides, you can, on these riparian areas make that reduction on—the number I have heard is 20 to 50, 60 percent. But some riparian areas it may be 0 and some riparians it might be 80 percent, it depends on the particular condition of that watershed.

Mr. DEFAZIO. One idea which has been put forward would be the idea to use potentially some of the revenues to work with willing private property owners in critical areas and enhance riparian buff-

ers in those areas. And, I mean, are the commissioners—that made sense that would be coming out of some of your potential revenue. Have the commissioners taken a position on that, Mr. Robertson?

Mr. ROBERTSON. We support that. The reality is that the physical nature of these lands are in a checkerboard. You have industrial owners contiguous to BLM contiguous to industrial owners and so on. It is very difficult to manage a watershed in that regard.

So, the possibility of using some of the resources that come from management of the lands to address this issue working with private land owners, willing private land owners, is something under consideration.

Mr. DEFAZIO. OK, thank you. And I assume the Governor would be supportive of that?

Mr. TUCHMANN. Not only supportive, but strongly supportive, and would also like to participate both through the State's agencies and financially in contributing, as well. We want to be part of the solution.

Mr. DEFAZIO. That would be great. Now, as Greg mentioned, there are parts that cause us each some heartburn. And one area would be the wilderness protection for the Rogue, in particular. And I know, Commissioner Robertson, you are perhaps not a tremendous fan of wilderness designations—not saying that you are against them, but—as the—have the O&C counties evaluated this package as a whole, looking at the inclusion of the wilderness?

Mr. ROBERTSON. That has been a difficult area for us, as you pointed out. However, understanding the discussions that have gone on for many years, the identification of sensitive areas surrounded by O&C lands, and the opportunity to reach an agreement and move forward in terms of management, and recognizing protecting some of these special areas, our board has accepted that and is prepared to move forward.

So, it is a tough discussion, as you know. We have been involved in it for many, many years. It seems that at a time when counties are struggling, industry is struggling, forest health is declining, that simply putting more land in a reserve status not to be managed, perhaps, is not the right decision to make. However, understanding also the dynamics that we are dealing with, and our commitment to address the issues of all stakeholders, we are prepared to move forward with the provisions that are in the Act.

Mr. DEFAZIO. OK. Mr. Tuchmann, is the inclusion of those provisions important to the Governor, from his——

Mr. TUCHMANN. They are.

Mr. DEFAZIO. And to the task force?

Mr. TUCHMANN. They were. Yes, they were.

Mr. DEFAZIO. And I believe that the industry—I mean I guess we can—I don't know who is confident, but I have not heard that the industry objected to those provisions.

Mr. TUCHMANN. Well, let me clarify. The report that was drafted was a staff report that my colleague and I drafted. And the panel members did not take a position on the particular components. They did release a statement. Each individual panelist has their own position on a wide array of these issues.

Mr. DEFAZIO. OK.

Mr. TUCHMANN. As far as the Governor, his position is that he thinks additional protections for special places as outlined in our testimony, in his testimony, should be included in any final bill.

Mr. DEFAZIO. OK, thank you. And just—if I could, the indulgence of the Chairman, just one question for Dr. Kulakowski. And I appreciate his contributing to the debate.

We have some communities that have adopted—well, it is actually required in some areas, like where I have a cabin in Central Oregon—what are called fire-wise steps. Have you seen a significant difference in terms of destruction of property and/or those areas which have taken these preventative steps?

Mr. KULAKOWSKI. I have. And everything I have seen indicates that these fire-wise practices, which involve treating the land in the immediate vicinity of homes and communities, is the best way to go, if our goal is to protect those homes and communities.

Mr. DEFAZIO. So this would be sort of along the lines of the original provisions of HFRA, where we were going to start in what is called the "wooies" and kind of work our way out from there, and emphasize the area within the wooies to protect communities and individual properties.

Mr. KULAKOWSKI. Exactly. Everything I have seen indicates that if we want to prioritize protecting homes from wildfires, we should start in the wildland-urban interface and start by creating defensible space in the immediate vicinity of structures.

Mr. DEFAZIO. And so your concerns that you expressed about using harvest as a mechanism, which is considered a bit unsettled to deal with fire and intensity, but at least in this limited instance you would support that because that is what this does involve, is getting a certain setback and——

Mr. KULAKOWSKI. Right. I didn't intend to express an opinion against harvest. Instead I am thinking about what are our real goals. If our goals are to harvest forests, we should do that. If our goals are to protect homes and communities from wildfires, we should do that. And if we are talking about the latter case, it makes the most sense to begin in the wildland-urban interface and by creating defensible space.

Mr. DEFAZIO. OK. Thank you. Thank you, Doctor. Thank you, Mr. Chairman.

Mr. TIPTON. Thank you, Mr. DeFazio. And are there any other questions?

[No response.]

Mr. TIPTON. With none, I certainly want to thank you. You are the most hearty of all. You sat through the entire afternoon. And we certainly appreciate your testimony, taking the time to be able to be here. These are important issues, and I think we can obviously see the passion that exists here, with the goal of getting healthy forests, to be able to address the threat of wildfire and how best to be able to proceed. And so, thank you for being able to be here. And I would again thank all of our witnesses today for their valuable testimony and patience, and to the Members for their participation.

Members of the Subcommittee may have additional questions for the witnesses. And if there are, we ask that those be submitted in

writing, and get the responses back for those. The hearing record will be open for 10 days to receive the responses.

If there is no further business to come before the Committee, without objection the Subcommittee stands adjourned.

[Whereupon, at 4:32 p.m., the Subcommittee was adjourned.]

[Additional material submitted for the record follows:]

Responses Submitted for the Record to The Honorable Tom Tidwell

Questions submitted by Representative Rob Bishop

Question 1. What is the sustained yield of timber in the National Forest System?

Answer: Long-term sustained yield has been the term used in forest planning for estimating sustained yield of timber, defined as the yield that a forest can produce continuously at a given intensity of management, though it implies continuous production so planned as to achieve, at the earliest practical time, a balance between growth and cutting. (Dictionary of Forestry, Society of American Foresters). Long term sustained yield (LTSY) is only calculated when plans are initially developed or revised, which was mostly in the 1980s and early 1990s. The sum total of long term sustained yield estimates published with initial and revised forest plans is approximately 12.5 billion board feet, including firewood. It is important to note there have been many changes affecting land management on national forests since these initial plans were developed or revised. These changes, which do not trigger adjustments in the underlying plans' LTSY data, tend to reduce the significance of the cumulative total of the LTSY in our existing plans. Some of these changes include:

- The Northwest Forest Plan that amended forest plans to protect old growth, northern spotted owls, marbled murrelets, and aquatic species such as salmon in Washington, Oregon, and Northern California.
- The Sierra Nevada Framework that amended forest plans to provide for old growth and California spotted owls, and to reduce the risk of wildfire.
- Amendments and other changes to address other listed species such as Canada lynx, grizzly bear, Mexican spotted owl, and others.
- New knowledge and understanding of the ability to harvest timber while managing national forests for multiple use.
- The Roadless Area Conservation Rule and the State Roadless rules for Idaho and Colorado.
- Major fires and fire behavior that have altered potential for long-term timber production.

Question 2. What is the sustained yield of the agency's commercial timber land capable of producing twenty cubic feet of timber per acre, excluding lands that have been designated by Congress as a component of the National Wilderness Preservation System?

Answer: The long term sustained yield total in response to question 1 is based on lands that can produce twenty cubic feet per acre per year and excludes wilderness areas that were in existence when the initial plans were developed or revised. The estimates also excluded other lands that were not suitable for timber production when the plan was developed or revised. The long term sustained yield estimates were not revised for added wilderness areas or other lands removed from timber production after initial development or revision of land management plans.

Question 2a. Please provide a map of the commercial timber land meeting the description described above.

Answer: We do not have a national map of such lands.

Question 3. In response to a question from Ranking Member Grijalva, you stated that the Forest Service currently manages "20 million acres of roaded lands that is more work than we can do." Can you please provide a map identifying these acres as well as provide the sustained yield of those areas?

Answer: We do not have such a map. The Chief was referring to the 2012 Report, "Increasing the Pace of Restoration and Job Creation on our National Forests", in which we have identified over 12.5 million acres of roaded national forests, located throughout the national forest system, that need mechanical treatment (timber harvest) to restore the forest resiliency. Just to complete this restoration work on these roaded acres will take decades.

Question 4. You cited "public comments" received in explaining the Agency's rationale for increasing land acquisition funding by 10% while significantly cutting a number of land management line items, including a 37% reduction in hazardous fuels reduction funding. You also cited "public comments" received in defending the agency's current approach to managing these forests, which has caused severe economic harm in many neighboring rural communities. Please provide a detailed description of how the agency collects and analyzes public comments in determining its management and budget priorities.

Answer: At all levels of the organization, the Agency works to communicate, both formally and informally, with citizens regarding management of their national forests. Depending on the circumstance, news releases, websites, visitor information centers, open houses, public comment periods, conferences and day to day meetings and telephone conversations with citizens and elected officials are some of the many ways the Forest Service reaches out to the public, and also receives public comment.

Question 4a. Since you also indicated that your budget request reflected a balanced approach, please also provide specific examples of public comments that the agency received that support the Administration's proposed budget request to increase land acquisition funding and decrease land management funding, including hazardous fuels reduction activities.

Answer: Over the summer of 2010, the Administration America's Great Outdoors (AGO) initiative held 51 public "listening sessions", an extensive public conversation about conservation. More than 10,000 Americans participated in these live sessions and more than 105,000 comments were provided. According to the multi-agency February 2011 AGO report, support for full funding of the Land and Water Conservation Fund (LWCF) for land acquisition was one of the most common comments received during these listening sessions.(See America's Great Outdoors: A Promise to Future Generations (February 2011) pg. 32 available at (http://www.fs.usda.gov/Internet/FSE_DOCUMENTS/stelprdb5333333.pdf.)

Land acquisitions directly address public demand, as outlined in the America's Great Outdoors (AGO) Initiative. Acquisitions support access, restoration, and can improve management effectiveness. The competitive LWCF funding process, which is the Forest Service's primary source for funding for land acquisition, requires that National Forests seeking funding for a project demonstrate evidence of public support. Public support is most often demonstrated through funding from broad based interest groups including conservationists, outdoor recreation enthusiasts and traditional sportsmen's groups representing hunting and fishing interests. Support is also demonstrated in requests from Members of Congress and in the appropriation of funding. Local support often comes from communities and state and local governments and their agencies. Examples of this local support include: a letter from County Commissioners in Lake County Montana supporting the Montana Legacy Completion acquisition project; a resolution of the Teton County Board of County Commissioners offering "full and enthusiastic support" to the Greater Yellowstone acquisition project.

Question 5. What is your agency's policy regarding when an event or public notice should be placed in the *Federal Register*?

Answer: There are several laws and regulations that govern when public notice should be placed in the *Federal Register*.

The Administrative Procedures Act (APA) (5 U.S.C. 551 et. seq.) is the basic government-wide authority for rulemaking. It specifies procedures to be followed in the rulemaking process, including the requirement to give public notice of and the opportunity to comment on proposed rules (5 U.S.C. 533). The APA exempts from the notice and opportunity to comment requirements interpretative rules, general statements of policy, or rules of agency organization, procedure, or practice. However, it is USDA policy to require that the public be given notice of proposed rules and the opportunity to comment on them.

Forest Service regulations at 36 CFR Part 216 implement section 11 of the National Forest Management Act and generally require the Agency personnel to publish for notice and comment proposed "standards, criteria, and guidelines" issued through the Forest Service Manual.

Forest Service Handbook (FSH 1909.15) provides guidance for implementing the NEPA. Under our NEPA guidance we must publish notices in the Federal Register for Environmental Impact Statements (EIS) at the beginning of the NEPA process, with a Notice of Intent, and twice during the process with draft and final documents using a Notice of Availability.

The Federal Advisory Committee Act requires that the advice provided by a committee as defined by this Act be objective and accessible to the public. The Forest Service (FSM 1356) policy for publishing a committee meeting in the *Federal Reg-*

ister requires that the notice must be published at least 15 and not more than 45 calendar days prior to the date of the meeting; "every portion of every meeting of an agency shall be open to public observation" (5 U.S.C. 552b(c)). FACA also requires *Federal Register* notice of the establishment of a committee.

Question 6. Please specifically describe what kinds of activities are and are not subject to a public comment period, with notice published in the *Federal Register*.

Answer: Meeting notices are the only publications not subject to the public comment period requirements identified in question 5.

Notices of Availability of Environmental Statements, advance notices of rulemaking, notice of proposed rulemaking, or notices of intent to prepare an EIS are initiated and information about the scope and purpose of action invite the public to comment and provide suggestions in *www.regulations.gov*. The Forest Service also publishes in the *Federal Register* notices of Records of Decision and significant new or revised policy or procedure that will be issued in the Forest Service's Directive System.

Under exigent circumstances, the Forest Service may implement a notice for an interim directive or directive supplement upon publication for public notice and comment. This notice must identify the exigent circumstances. (36 CFR Part 216.4)

Question 7. Are there times when an event is not required to be noticed?

Answer: An event notice is generally not required, except when the proposed directive or regulation will:

- Alter budget impact of user fee programs,
- Have a large or negative impact on the economy, or
- Raise legal controversy.

Question 8. Does your agency have a specific policy of waiting for the event to be physically published in the register before releasing details to the public via other means?

Answer: No.

Question 9. What are the repercussions of improperly noticing an event?

Answer: The failure to properly notice an advisory committee meeting would violate the Federal Advisory Committee Act (FACA). Any repercussions related to improperly noticing other types of events—such as public meetings related to a rulemaking or a tribal consultation session—would depend on the circumstances.

Question 10. In response to a question from Ranking Member Grijalva, you quoted statistics on the number of Forest Service projects that are appealed and litigated. Specifically, you stated that an average of 6% of all Forest Service projects are appealed and an average of 2%are litigated. Do those percentages include projects in which there is no merchantable material (i.e., timber sales and stewardship contacts with merchantable timber)? If so, please provide the percentages of all projects with merchantable materials that are appealed and litigated.

Please also list these percentages by Forest Service region.

Answer: The percentages provided include statistics on appeals and litigation as a percentage of all Forest Service decisions analyzed under the National Environmental Policy Act, including those analyzed in an Environmental Impact Statement (EIS), Environmental Assessment (EA), or those categorically excluded from analysis and documented in a Decision Memo. Not included are those projects categorically excluded from analysis in an EIS or EA but not documented in a decision memo. These numbers include projects with and without merchantable material, and moreover included decisions where timber and other merchantable material was not under consideration at all (for example, decisions related to recreation, grazing, fish stocking, invasive species management, land exchanges, etc.)

In response to Chairman Bishop's question regarding appeals percentages, the Forest Service project planning, appeals, and litigation system (PALS) was queried for appeals on decisions involving green or salvage timber sale activities for Fiscal years 2008–2012. PALS does not yet track all current litigation records, so litigation data were derived from Agency litigation case files for the same years. It should be noted that the numbers and percentages of lawsuits include wins, losses, and settlements.

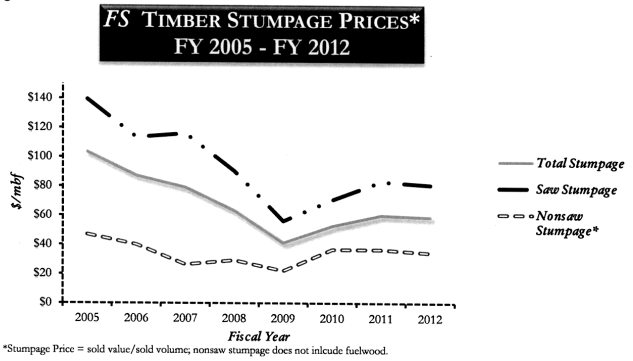
Forest Service Decisions including green and salvage timber sales that have been appealed and litigated Nationally and by Region					
Area	(1) Number of decisions including green or salvage sales	(2) Number of appeals	(3) % of decisions appealed	(4) Number of decisions litigated	(5) % of decisions litigated
Nationwide	1539	339	22 %	39	2.5 %
Region 1	165	69	40 %	20	12.1 %
Region 2	127	7	5 %	1	0.7 %
Region 3	30	9	30 %	1	3.3 %
Region 4	90	22	24 %	-	-
Region 5	208	55	26 %	10	4.8 %
Region 6	270	62	23 %	5	1.8 %
Region 8	416	48	12 %	-	-
Region 9	196	60	31 %	1	0.5 %
Region 10	37	7	19 %	1	2.8 %

Question 11. At several points in response to questions you indicated that the timber market remained depressed and that stumpage values were low for Forest Service timber sales. The Committee has reviewed stumpage rates from state timber sale programs in Washington, Idaho and Montana. These values have stayed relatively constant during the downturn and remain quite strong today. Can you please clarify your statements related to a weak timber market by indicating whether the reason for the low values received by the Forest Service are primarily due to weaker timber markets or the low value of the materials the Forest Service includes in its timber sales.

Answer: It is a combination of both. Forest Service timber stumpage prices (Figure 1) are following timber industry price trends (Figures 2 and 3), although there can be local variance. Figure 1 shows Forest Service timber stumpage prices from Fiscal Years 2005 to 2012. stumpage value declines from just above $100 per thousand board foot in 2005 to a low of approximately $50 per thousand board foot in 2009. However, stumpage prices are now increasing. The lower value, nonsawlog stumpage actually declined at a lower rate than the sawlog stumpage value.

Figures 2 and 3 show similar industry trends.

Figure 1.



*Stumpage Price = sold value/sold volume; nonsaw stumpage does not inlcude fuelwood.

Figure 2.

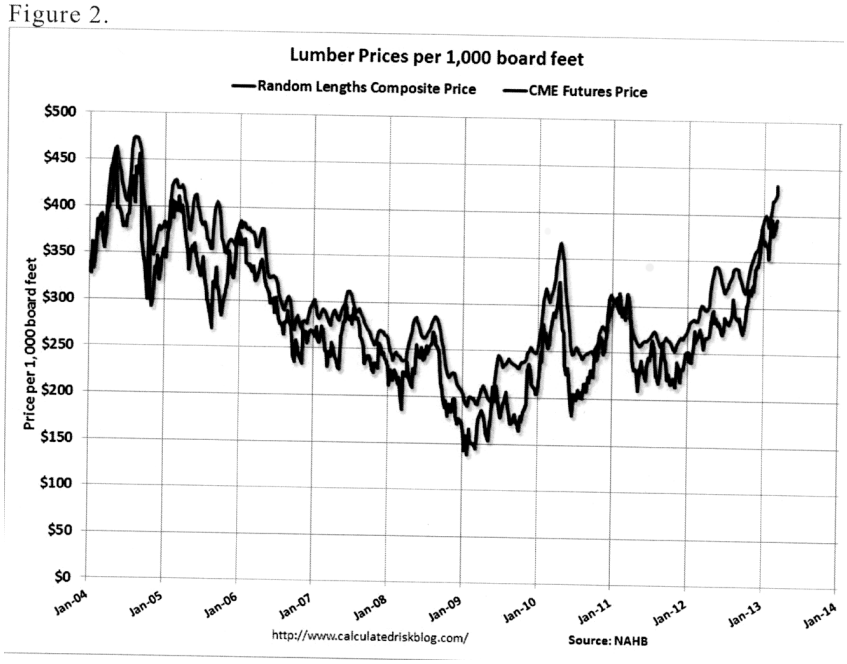
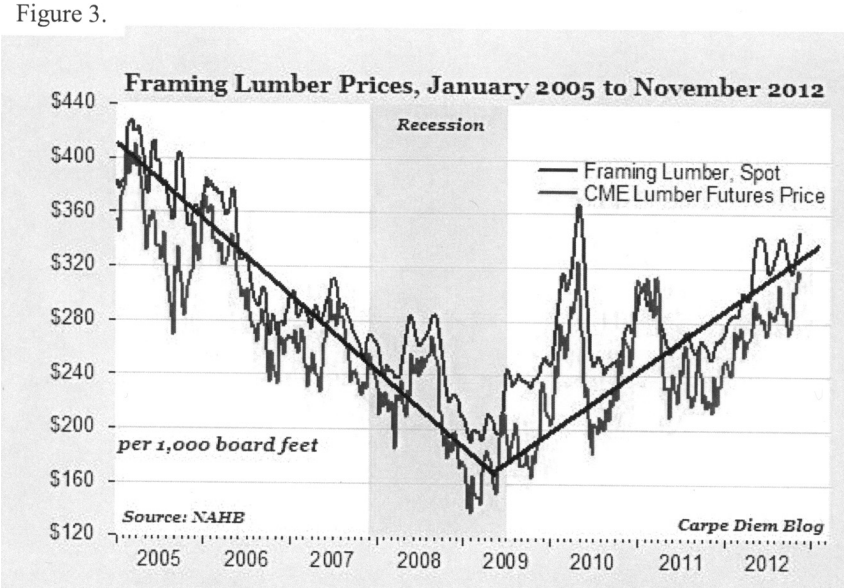


Figure 3.



Question 12. What is the cost per acre for the Forest Service to conduct a hazardous fuels reduction project?

Answer: Mechanical treatment of hazardous fuels ranges from $50/acre to more than $4,000 per acre. Prescribed fire treatment of hazardous fuels ranges from $30/acre to $1,900/acre. Prices vary considerably because of many factors, including but not limited to type of vegetation, steepness of terrain, proximity to structures, type of equipment needed, marketability of product, and the remoteness of the site.

Question 13. What is the cost per acre for a vegetation management project involving commercial wood products?

Answer: We do not have a cost per acre, but we do have cost per thousand board feet. That figure is approximately $157/thousand board feet (mbf), a decrease of approximately 23% when adjusted for inflation over the last 14 years; this, despite a 31% decrease in funding, and a 49% reduction in forest management staff. The $157/mbf figure includes all timber sale related costs at the regional, forest and district offices. It also includes: cost of surveys, inventories, environmental analysis and disclosure (NEPA), sale layout, volume and value determination, contract preparation and award, and sale administration; costs associated with appeals and litigation, rework of timber sales, and administration of personal use for firewood and special forest products.

Questions submitted by Representative Matt Cartwright

Question 1. There has been considerable emphasis on the timber potential in our Forests but our National Forests are more than timber factories. They provide critical clean drinking water supplies for the country. They also provide world-class recreational opportunities for all Americans and the economic benefits that come from those opportunities to local communities.

According to the Forest Service, about 124 million people nationwide rely on national forest watersheds for their drinking water. That's roughly /1/3/ of the entire U.S. population. The estimated value of that potable water is between $4 and $27 billion annually. Is there a link between intensive logging and declines in water quality, Chief Tidwell?

Answer: First, let me clarify the statistics in your question. EPA estimated that 66 million U.S. citizens (approximately 20%) get their water from the National Forests. The annual marginal economic value of water from the National Forests is approximately $7.2 billion.

National Forest System lands are managed using a multiple-use approach with the goal of sustaining healthy terrestrial and aquatic ecosystems while addressing the need for resources, commodities, and services for the American people. We developed the Watershed Condition Framework (WCF) as a comprehensive approach for proactively implementing integrated restoration on priority watersheds on national forests and grasslands.

The mix of multiple use benefits is influenced by public input during the development of forest plans. With a growing population and a finite fresh water resource, providing high-quality fresh water supplies is more critical than ever to the social and economic well-being of the United States.

In response to your question on logging and water quality, if timber sales are appropriately designed with mitigation measures and Best Management Practices (BMPs), there is no measurable decline in water quality. Forests and grasslands generally produce high-quality water, especially when the ecosystems are healthy and functioning properly. Water quality is influenced by the pattern, magnitude, intensity, and location of land use and management activities. Some land uses can protect or restore water quality, while others may degrade or pose risks to clean water.

Preventing negative water quality impacts is more efficient and effective than attempting to restore the damage. To ensure water quality is protected, the Forest Service has developed procedures, methods, and controls, consistent with Federal and State requirements, to address potential pollutants and pollution at their source. Implementation and monitoring of these Best Management Practices is the fundamental basis of the Forest Service water quality management program to protect, restore, or mitigate water quality impacts from activities on National Forest System lands.

Question 2. What about recreation? Outdoor recreation industry supports nearly 6.1 million jobs andcontributes over $646 billion annually to the U.S. economy, according to the Outdoor Industry Association. And, according to the Forest Service, visitor spending in communities near national forests sustain more than 200,000 full and part time jobs. If that is correct, would there be overlap between areas identified for logging in the bills with areas currently used for recreational access, Chief Tidwell?

Answer: Yes there could be some overlap in some areas. However, restoration work is not necessarily incompatible with recreation visitation, especially in the long run. Restoration work can enhance visitor safety through reduction of wildfire threats, improve access by removing hazardous trees, as well as improve both visual quality and wildlife habitat. All of these are very important to our visitors. In addition, restoration work diversifies and strengthens the economies of local communities, which in turn has positive effects on both visitation and its economic contributions.

The documents listed below have been retained in the Committee's official files.

- Action 22 Southern Colorado, H.R. 818 Support Letter
- American Farm Bureau Federation, American Forest Foundation, Association of Fish and Wildlife Agencies, et al., H.R. 818 Support Letter
- Association of O&C Counties, Letter of support for "O&C Trust, Conservation and Jobs Act"
- Baertschiger, Hon. Herman E,, Oregon State Senate, SJM10 Draft
- Baertschiger, Hon. Herman E,, Oregon State Senate, "O&C Trust, Conservation and Jobs Act" Support Letter.
- Colorado Timber Industry Association, H.R. 818 Support Letter
- Delta County, Colorado, H.R. 818 Support Letter
- Eagle County (Colorado) Board of Commissioners, H.R. 818 Support Letter
- Environmentalist Groups Comments For the Record
- Graham, Owen, Executive Director, Alaska Forest Association, H.R. 1294 Support Letter
- Hinsdale County, Colorado, H.R. 818 Support Letter
- Huerfano County Board of Commissioners, Colorado, H.R. 818 Support Letter
- Intertribal Timber Council, Letter submitted for the record on Federal forest management bills: H.R. 1294, H.R. 818, H.R. 1354, H.R. 1442, and draft bills by Chairman Hastings, "the Restoring Healthy Forests for Healthy Communities Act" and by Rep. Peter DeFazio, "the O&C Trust, Conservation and Jobs Act."
- Kitazhaber, John, Governor of Oregon, National Forest Health Restoration
- Maisch, Chris, Administrative Order 258: Final Report
- Maisch, Chris, NASF Resolution No. 2011–2: Landscape-Scale Forest Management in the Vicinity of Federal Lands
- Mesa County Board of Commissioners, Colorado, H.R. 818 Support Letter
- Moffat County Commissioners, Colorado, H.R. 818 Support Letter, FTR
- Montrose County Board of Commissioners, Colorado, H.R. 818 Support Letter
- The Pew Charitable Trusts, Mike Matz, Director, U.S. Public Lands Conservation, Letter expressing concerns on draft legislation entitled "Restoring Healthy Forests for Healthy Communities Act"
- Pueblo County Board of Commissioners, H.R. 818 Support Letter
- Routt County Board of Community Commissioners, H.R. 818 Support Letter
- San Luis Valley County Commissioners Association, H.R. 818 Support Letter
- San Luis Water Conservancy District, H.R. 818 Support Letter
- Trinity County Board of Supervisors, Letter submitted for the record on reauthorization of Stewardship Contracting Provisoins of Secure Rural Schools
- Trout Unlimited, Letter submitted for the record on "the O&C Trust, Conservation and Jobs Act."

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