

**January 24, 2014**

## **Omnibus Spending Bill Passes**

Facing a January 15 deadline to pass FY14 appropriations measures, Congress passed a \$1.1 trillion omnibus spending bill which will fund the Government for the remainder of this fiscal year. The spending package is good news for most agencies and removes the sequestered funding levels that were put into place in 2013 when the Government failed to reach agreement on a package of long-term spending cuts and tax reforms.

### *USFS*

The Forest Service will receive \$5.5 billion of which \$3.077 billion will go to the wildland fire account, which includes suppression, preparedness, and hazardous fuels reduction activities. Some good news includes funding the Forest Products program at \$339 million, an \$18 million increase from the sequestered level. Hazardous fuels reduction funding which helps fund pre-fire mechanical treatments is \$306 million, up substantially from the President's proposed 2014 budget. The Appropriations Committees included language noting that it expects the Forest Service to increase vegetative and timber management activities and believes there needs to be dramatic improvement in forest management to improve forest health, increase timber production, and restore forest jobs.

The Integrated Resource Restoration (IRR) program which combines all funds into one pool of money will continue to be used as a pilot program in Regions 1, 3 and 4. The Forest Service is also directed to report on the program's performance to the Appropriations Committees within 90 days and outline its plan of action for 2014.

The bill provides \$40 million for the Collaborative Forest Landscape Restoration (CFLR) fund, which funds the 20 plus CFLR projects nationwide. The Forest Service must report to the Committees within 60 days on the implementation and outcomes of the CFLR funded projects to date.

The bill also contains three policy provisions, two of which could help get more acres treated. They include:

- Projects using Categorical Exclusions are not subject to Administrative Appeals. This addressed a federal district court decision requiring the appeals.
- The Good Neighbor Authority, which has been used in Colorado and Utah and allows state natural resource agencies to administer land management projects on National Forest acres, is expanded to the entire nation.
- Agencies including the Forest Service and BLM are required to track payments to litigants under the Equal Access to Justice Act.

No new funding mechanisms were included to address potential fire borrowing if wildfire suppression spending exceeds the appropriated amount. The bill provides \$3.9 billion for wildfire fighting and prevention for both the Forest Service and Department of Interior, which funds those agencies at the 10-year average level and fully reimburses all fire borrowing done in 2013.

#### *O&C Lands*

Funding for the O&C lands will be \$114.5 million. This number is up from the previously approved budget of \$112 million before sequestration. However, it is unclear how much will go towards the timber program and how much will go to the new Resource Management Plans (RMP) planning efforts currently underway. Senator Jeff Merkley (D-OR), who serves on the Senate Interior Appropriations Subcommittee, requested language requiring the BLM to provide a report to Congress within 180 days on its plan to ensure funding and personnel needs to complete the RMPs while sustaining the timber program which is scheduled for 231 mmbf in 2014. The Western Oregon Plan Revisions (WOPR) completed in 2008 cost over \$15 million to develop before the Obama Administration attempted to withdraw them. It is not clear if the Administration will request the funding required to complete the new plans or direct forest management funding away from the timber sale program. */Tom Partin*

### **AFRC Wins Ruling in South George**

On January 6, Judge Van Sickle of the Eastern District of Washington upheld the South George Project on the Umatilla National Forest. South George involved commercial timber harvest on 3,900 acres, fuels reduction on 3,000 acres, and thinning 25 acres located in a Riparian Habitat Conservation Area (RHCA).

The Lands Council, Hells Canyon Preservation Council, and League of Wilderness Defenders challenged the project. They argued that the Forest Service violated PACFISH by not demonstrating harvest is “needed” in riparian areas, violated NEPA by assuming that land within 300 feet of a road could not qualify as “potential wilderness,” and violated NFMA by not providing sufficient snag habitat to maintain the viability of cavity nesting wildlife. AFRC and Asotin County intervened in the case.

The Court held that PACFISH allows for fuel treatments in RHCAs so long as the treatment does not prevent attainment of riparian management objectives. It also held that the Forest Service did not violate NEPA by making a simplifying assumption that land close to roads would generally not qualify as wilderness. Finally, the Court held that the Forest Service’s approach to snag and tree retention replacement and related effects analysis to provide for viable population of cavity nesters was entitled to substantial deference.

Asotin County’s participation in particular, was helpful to illustrate the importance of commercial harvest and fuels reduction treatment to the District Court. The judge repeatedly noted the project’s importance to the community, past wildfires in the area, the continued wildfire risk, and Asotin County’s concern that the “Project is necessary to prevent forest fires and that it will provide jobs for a sparsely populated county whose residents desperately need work.” The judge’s ruling allows the Forest Service to go forward with the project. The first sale was sold to Bennett Lumber Products in 2013. Just days after the Court’s decision, Bennett announced that, in part because of the favorable decision, it will reopen its mill in Clarkston, Washington employing 60-70 people.

Plaintiffs have not yet indicated whether they will appeal. They have until March 7 to do so. /*Scott Horngren*

## **Wild Olympics Wilderness Legislation**

On January 17, Senator Patty Murray (D-WA) reintroduced what has become known as the “Wild Olympics” bill. Similar legislation was introduced the same day by Congressman Derek Kilmer (D-WA). This wilderness proposal has been around for many years, originally proposed by Senator Murray and former Congressman Norm Dicks. Since the original introduction, the forest products industry, along with many other stakeholders on the Olympic Peninsula, have worked for changes to limit the impacts to the forest products industry.

In AFRC’s [press release](#), Tom Partin said, “Our industry remains opposed to the Wild Olympics Wilderness legislation because it would put an additional 125,000 acres of the Olympic National Forest off-limits to responsible timber management and other activities. Most importantly it fails to address the pressing social and economic needs of rural, forested communities on the Peninsula. Over 100,000 acres of the Olympic National Forest is already designated as Wilderness and is off-limits to responsible, multiple- use management, as is nearly one million acres within the Olympic National Park.”

Despite the potential addition of 125,000 acres to lands already declared wilderness on the Olympic Peninsula, there are a few small victories in the bill. First, 11,300 acres of land from the original proposal will be retained in the Olympic National Forests timber base. The possibility of adding 37,000 acres of private/public “willing seller” additions to the national park/wilderness areas have been removed. All Forest Service system roads have been removed from the wilderness declaration and the designated wilderness includes a 200 foot setback from the roads. While in many ways these are small wins for timber management it is a sign Congressman Kilmer is aware of the needs of all stakeholders on the Peninsula. The recent kick-off of the [Olympic Peninsula Collaborative](#) and Congressman Kilmer’s [Olympic Peninsula Economic Development Initiative](#) are also hopeful signs for a balanced approach to fixing the economic issues of the area.

AFRC will continue to monitor the progress of this bill and work to bring balanced and needed management reforms to public forest lands on the Olympic Peninsula. We will continue to work with our partners on the Peninsula to find solutions to the timber management struggle, in order to bring certainty and long term sustainability to the forest products industry. Adequate and stable volume capable of supporting the existing infrastructure will be a key to helping provide a stable and strong economic and social environment. /*Matt Comisky*

## **Wyden-Crapo Wildfire Funding Bill**

In late December Senators Ron Wyden (D-OR) and Mike Crapo (R-ID) introduced S. 1875, “The Wildfire Disaster Funding Act of 2013.” The basic premise of the bill is that it would treat catastrophic wildfires as natural disasters and fund suppression activities from an emergency account rather than regular discretionary agency budgets.

In many of the past fire seasons, money has been “borrowed” from other Forest Service accounts to help fight wildfires once the annual suppression appropriations have been expended. Typically, Congress provides the agency with the 10-year average of suppression spending. In extreme fire years once the funds are spent, money is “borrowed” from projects such as mechanical thinning. Often work to help

prevent fires is put on hold while funds for those projects are put towards fighting fire. The Wyden-Crapo bill would require the Forest Service to budget for 70 percent of the 10-year average and classify additional suppression expenditures as emergency spending, similar to what occurs on other natural disasters. It would end wildfire “borrowing” and also move any fire suppression spending, over 70 percent of the 10-year average to a separate disaster account, thus preventing future borrowing. In addition, since 30 percent of a fire year’s budget would come from the disaster account, the remaining money could go towards fire prevention activities such as treating hazardous fuels. */Tom Partin*

## **County Payments Hearing**

House Natural Resources Committee Chairman Doc Hastings (R-WA) continues to investigate the reasoning behind last years’ decision by the Forest Service to sequester millions of dollars in Secure Rural School (SRS) funding payments made to counties. Timbered counties were given approximately \$300 million in SRS payments; however they were later ordered to repay 6% of those funds (or \$18 million) back to the treasury or have the amounts deducted from Title II project dollars.

On January 16, the Committee held a hearing entitled “Oversight of the Obama Administration’s Questionable Application of Sequestration to the Secure Rural Schools Program and Cost to States, Local Economies and Rural School Children.” Robert Bonnie, USDA Undersecretary for Natural Resources and Environment, testified regarding the process that the Office of Management and Budget (OMB) used to analyze the legal requirements of the Budget Control Act that mandated the sequester and determined those SRS payments needed to be repaid.

This hearing is just one example of the Committee’s stepped up oversight efforts. The Committee also voted 26-14 along party lines to give Hastings more leeway to issue subpoenas on several other issues, including the SRS sequestration decision and agency meetings involving settlements of actions under the Endangered Species Act. In September 2013, Chairman Hastings issued subpoenas to OMB and the Agriculture Department seeking documents related to their decision to sequester SRS funds. Those records were used to develop a report by the Committee that found OMB did not initially believe the sequester cuts should be applied to SRS payments, but later reversed their decision.

Ranking Committee Member Peter DeFazio (D-OR) took exception to Hastings request for more subpoenas and asked that his bill H.R. 3886, which would refund the portions of 2013 SRS payments that the Forest Service sequestered be considered. The bill was not taken up by the Committee. DeFazio also noted that the Department of Interior had already provided the Committee with 40,000 pages of documents at a cost of \$1.5 million to taxpayers due to the earlier subpoenas. Interior Secretary Sally Jewell also complained last week about the time and cost required to respond to the Committee’s requests. */Tom Partin*

## **SW Oregon Salvage Update**

The BLM Medford District is anticipating the first substantial salvage timber sale (aside from deck sales) from the 2013 Douglas-Complex fires to be sold this April. Approximately 180 acres of burnt timber in the Quartz Creek drainage will be salvaged via a Categorical Exclusion. The units comprising this sale are on a small isolated fire that burnt 2,372 acres of mixed ownership. Salvage opportunities on the larger segments of the Douglas Complex Fire, approximately 55,000 acres, will be addressed separately with timber sales expected this summer/fall.

There are still several uncertainties regarding the design features of these salvage timber sales. One is how the BLM will address roadside hazards across all land allocations. AFRC, Douglas Timber Operators, Douglas Fire Protective Association, and Oregon OSHA all submitted substantial comments urging that immediate and future safety hazards be dealt with as promptly as possible. While adjacent landowners such as Plum Creek and Roseburg Forest Products have implemented hazard tree removal on roads throughout their ownership, the BLM road segments still have existing hazards on approximately 375 acres. There is also uncertainty as to exactly how the BLM will remove these hazards. While removal on some parcels will consist of felling hazard trees and selling them, removal on other parcels may consist of felling hazard trees and leaving them on site.

The Umpqua National Forest is anticipating salvage sales off the Whiskey Fire near Tiller in late August or early September of this year. The most significant factor affecting the viability of these sales is the Umpqua's position on wet season yarding and hauling. The Umpqua's hard line on not allowing certain operations during a period that extends from October thru May already has a negative effect on green timber sales, but will have an even worse effect on salvage sales. Potentially, these sales could have less than a month of "unrestricted" operations before the closed season takes effect. AFRC has stressed to the forest that such a scenario will make a sale consisting of dead trees very risky to any potential bidders. Informing the Umpqua, as well as others, of the mitigation measures that experienced operators can implement to avoid resource damage throughout the year will be an ongoing effort in 2014. /*Andy Geissler*

## **BLM Regeneration & the Murrelet**

The two latest efforts by the BLM to implement regeneration harvests on their Matrix lands (those lands where the BLM can manage timber sustainably) are being heavily affected by the marbled murrelet survey protocol they have adopted. The first, which is located near Loon Lake on the Coos Bay District, was reduced by 63% of its initial acreage. Of the proposed 295 acres only 111 remain as part of the regeneration harvest as a result of marbled murrelet surveys. The other 184 acres are not only off-limits to regeneration harvest at this time, but more importantly become Late-Successional Reserves.

The other regeneration project is located along Highway 126 on the Eugene District. The regeneration harvest acres on this project were reduced by 68% (from 220 acres to 70) due to murrelet surveys. These 150 acres are now also Late-Successional Reserves.

The survey protocol the BLM is using to meet their obligation to protect the marbled murrelet was developed by the Pacific Seabird Group (PSG), which is a society of seabird researchers. As of October 2013, the PSG has recommended even stricter survey protocols be used that will likely result in higher percentages of Matrix land conversion to Late-Successional Reserves.

AFRC is glad to see the BLM making efforts to re-introduce regeneration harvests in order to meet their requirement of sustainable timber management; however, with the murrelet survey protocol they are using, the Matrix land on the coast is facing a 60-70% reduction in acreage. The remainder could be tied up as Late-Successional Reserves. /*Andy Geissler*

## **Collins Company Honored**

On January 9, the Oregon Department of Forestry (ODF) announced that Collins Timber Co., sister company to AFRC members Fremont Sawmill and Collins Pine, was named 2013 Eastern Oregon Operator of the Year for its work on the Barry Point fire clean-up. Collins is working to salvage timber on almost 2,300 acres that burned in Oregon and 21,000 in California.

ODF noted that Collins work with landowners, operators, farmers, ODF's stewardship forester, and a school to make the salvage operation was a success. Although its operations dramatically increased the number of trucks going past the school and through the Lakeview community, its emphasis on community safety and coordinated safe trucking strategies made the operation work for all concerned.

AFRC congratulates Collins on a well-deserved recognition. */Ann Forest Burns*

## **Federal Forests Work Plan Adopted**

At its January 8 meeting, the Oregon Board of Forestry adopted an [action plan](#) presented by its Federal Forests Subcommittee. The plan is based on a statement of critical issues: (1) single focus legislation impedes holistic ecosystem conservation; (2) infrastructure and workforce for forest stewardship need to be sustained; (3) discordant environmental and management laws create barriers for implementation; and (4) the traditional appropriation process does not reflect current land management needs. The plan includes actions specific to the role of the Board in each problem area. Adoption of the action plan culminates a year of work by the subcommittee (See [AFRC Newsletter August 27, 2013](#)) made up of Board members Nils Christopherson, Tom Insko, and Cindy Deacon Williams.

Governor John Kitzhaber appeared before the Board to discuss his views on Oregon's federal forests. He endorsed the work of the Board in adopting the action plan and urged its continued involvement in federal forest issues. */Ann Forest Burns*

## **O&C Bill Hearing**

The Senate Energy and Natural Resources Committee has announced that a hearing on the O&C Act of 2013 will be held on February 6. The 188-page bill was introduced in late 2013 by Senator Ron Wyden. Witnesses for the hearing have not been selected at this time. More to come. */Tom Partin*

## **2014 Annual Meeting**

AFRC will be holding its Annual Meeting April 22-24 at Skamania Lodge in Stevenson, Washington. Please make plans to join us to hear the latest on public timber issues from key congressional leaders and leaders in our public timber arena. Registration information will be available soon.