



MEMORANDUM

To: AFRC Members
From: Andy Geissler, Lawson Fite, Sara Ghafouri
Date: April 14, 2020
Re: Temporary Downpayment Reduction on FS Timber Sale Contracts and IRTCs

The April 10 [declaration](#) by Secretary Purdue of substantial overriding public interest (SOPI) extends all USFS timber sale contracts and Integrated Resource Timber Contracts (IRTCs) by two years and is an exception to the 10-year limit found in NFMA. In addition to contract extension, the SOPI entitles all extended contract holders to request **Temporary Reduction of Downpayment**. [[36 CFR 223.49\(k\)](#)]

For timber sale contracts that are **awarded** and **not cutting or removing timber** (but not formally suspended), you can request Temporary Reduction of Downpayment under paragraph C4.212 of the 2400-6 contract.¹ [[Link to C Division](#)] In IRTCs, the relevant clause is K-E.2.1.1. [[Link to K Division](#)]

1. **You must request Temporary Reduction of Downpayment in writing** from the relevant NFS unit contracting officer. Regulations and USFS policy indicate all eligible requests will be granted.
2. Temp Reduction lowers your downpayment (deposit) to the **greater of 2% of the original deposit or \$1,000**. The reduction will be **refunded** to you by USFS.

Example 1: Deposit on the Geissler Gulch timber sale was **\$35,000**. Under TRD, the deposit is reduced to **\$1,000** (2% of \$35,000 = \$700). USFS refunds **\$34,000**.

Example 2: Deposit on the Troxel Tramway sale was **\$100,000**. Under TRD, the deposit is reduced to **\$2,000** (2% of \$100,000). USFS refunds **\$98,000**.
3. Full downpayment must be **restored** 15 days after USFS bills (after emergency over). Operations cannot begin until downpayment restored.

<p><i>Questions?</i> Contact Andy (ageissler@amforest.org, 541-342-1892), Lawson (lfite@amforest.org, 971-801-4864) or Sara (sghafouri@amforest.org, 650-279-3569).</p>

¹ If your contract predates August 2009, the original will not have paragraph C4.212, but COs are instructed to “Add [C4.212] to existing contracts by modification when requested by Purchaser.” For these older contracts, include the modification as part of your Temp Reduction request.