

**November 30, 2015**

## **Omnibus Appropriations, Fire Funding and Forest Management**

With the current Continuing Resolution funding the federal government set to expire on December 11, Congressional leaders continue negotiating a longer term Fiscal Year 2016 funding bill. The prospects for reaching bipartisan agreement on an Omnibus Appropriations bill have improved significantly since October's passage of a broader budget agreement that increased the debt limit and provided additional funding for discretionary programs, both defense and non-defense.

The higher overall discretionary spending levels will give Congressional appropriators a little more flexibility to fund priority programs, which will likely be reflective of a Republican majority in both chambers. For the Forest Service, both the Senate and House Interior Appropriations bills included funding increases for the National Forest Timber Management program, which puts the timber program in a strong position for increased funding in an Omnibus. On the other hand, it is important that the Omnibus not include significant cuts to the BLM Oregon & California Grant Land forest management account proposed in earlier drafts of the Interior Appropriations bill.

Meanwhile, discussions continue in the Senate and House about a compromise package of fire funding and forest management reforms for possible inclusion in an Omnibus Appropriations bill. Much of the focus in Congress has been on securing budgetary reforms to end "fire borrowing" and provide the Forest Service relief from the continual growth of wildfire suppression costs, which is based on the 10-year average of suppression costs and is affecting the funding available for non-fire programs within the agency. Key Republicans and Democrats in the House and Senate are pushing for provisions to increase active management of federal forests through regulatory, legal, and funding reforms.

On November 19, the House Appropriations Committee leadership received a bi-partisan [letter](#) from 43 House members urging the Committee not to address fire borrowing without including reforms to forest management practices. The letter recognized the negative impacts of fire borrowing, but went on to highlight the need for increased forest management:

*"However, solving the fire-borrowing problem alone is the equivalent of treating the symptoms but not the underlying disease. Even if Congress fixes fire-borrowing, land management agencies are subject to constant red tape and legal threats that hinder their ability to carry out the needed operations to protect and improve federal landscapes."*

Eleven members from Washington, Oregon, California, Idaho, and Montana signed the letter: Washington – Cathy McMorris Rodgers (R), Dan Newhouse (R); Oregon – Greg Walden (R), Kurt Schrader (D), Peter DeFazio (D); California – Tom McClintock (R), Doug LaMalfa (R), Dana Rohrabacher (R), Jim Costa (D); Idaho – Raul Labrador (R); and Montana – Ryan Zinke (R). The letter

also included a large contingent of Republicans from states in the South and Midwest with small federal land holdings.

With a December 11 deadline and the Holidays looming, the negotiations on a potential solution to fire funding and forest management are likely to intensify. /Heath Heikkila

## **Another Fire and Forest Management Hearing**

On November 17, the Senate Energy & Natural Resources Committee convened a hearing to receive testimony on this year's fire season and opportunities to improve future fire and forest management strategies. Witnesses included the Government Accountability Office, aerial firefighting contractors, and the Alaska State Forester on behalf of the National Association of State Foresters. The witness panel also included Dr. Wally Covington of Northern Arizona University and the Ecological Restoration Institute, the Chelan County (Wash.) fire chief, and the Chairman of a fire recovery group based in Okanogan County (Wash.).

Chairwoman Lisa Murkowski (R-AK) and Ranking Member Maria Cantwell (D-WA) both spoke about the need to improve fire funding and management practices and the effectiveness of fuels reduction activities to create healthier forests. Senator Murkowski also highlighted the barriers that still exist to improving forest health:

*“Healthy, resilient forests are fire-resistant forests. And yet, despite knowing the value of fuel reduction treatments in mitigating wildfire risks, increasing firefighter safety, and restoring the health of our forests, active management is still often met with a series of discouraging and near insurmountable obstacles.”*

Senator Cantwell pointed to specific examples of successful fuel reduction projects in Washington State and the need to increase mechanical treatments to reduce fuel loading and to remove ladder fuels that drive catastrophic, stand-replacing wildfires. Meanwhile, Dr. Covington highlighted his research showing that the current levels of overstocking in fire-prone forests requires mechanical treatments before controlled burns can be an effective tool.

Senator Steve Daines (R-MT) summed up the frustration of many following at least three Congressional hearings reviewing this year's fire season: *“I'm tired of talking about this. I want to see action out of Congress. We need to do something.”* Senator Daines highlighted the negative effects of litigation on federal forest management projects in Montana, including one lawsuit that forced 18 Forest Service employees to spend 2,000 hours defending a forest health project from litigation. Daines concluded by saying: *“I urge my colleagues on both sides of the aisle, let's come together and pass a wildfire funding solution as well as timber management that includes litigation reform.”*

An archived webcast of the hearing, the witness list, and written testimony can be found at: <http://www.energy.senate.gov/public/index.cfm/hearings-and-business-meetings?ID=7387e3d2-51f1-4e4b-9d3c-6083a1d45e46>. /Heath Heikkila

## **Westside Fire Recovery Project**

The Westside Fire Recovery Project on the Klamath National Forest burned over 183,000 acres during last year's Happy Camp, Beaver, and Whites fires. This was a "stand replacement" fire, the type that forest managers fear. Close to half of the fire was in late successional reserves (LSRs) and nearly 18,000 acres of high-quality spotted owl habitat (nesting-roosting and foraging) burned at high severity. In high severity fire areas, 75-100% of the vegetation is killed. The project's proposed treatments include risk reduction salvage - within and outside of LSRs - roadside hazard treatments, fuels treatments, and reforestation. Continued fuel loading presents the danger of further stand replacement fires. The total proposed salvage covers 5,760 acres, with 3,870 acres in LSRs (or 2% of the burned LSR area).

The project generated substantial public input and has been the subject of some controversy. However, it appeared that the project was progressing through the appropriate steps. In July, the Regional Ecosystem Office concurred that the project was consistent with Northwest Forest Plan standards and guidelines for LSR salvage. Prior to that concurrence, the Forest Service submitted an amended biological assessment to the U.S. Fish and Wildlife Service (Service), reducing harvest levels from the original proposal by 3,000 acres.

Because consultation had begun in April, all parties expected a biological opinion (BO) in time for a decision on the project in August/September. To date, a BO has not been issued and the Service's Yreka Field Office reported it had not yet prepared the draft BO.

In an extraordinary development, the Service's Oregon state director Dr. Paul Henson wrote to Klamath National Forest supervisor, Patricia Grantham, stating that he did not support salvage harvest in LSRs. Dr. Henson also questioned the propriety of the Forest Service conducting commercial timber salvage. Randy Moore, Region 5 Regional Forester responded in a letter to the Service's Regional Director Robyn Thorson, presenting the scientific support for risk-reduction salvage, making sure that the Service was fully informed about the project. His letter stated, "In the strongest terms, we wish to emphasize that the Westside Project is not driven by economic gain nor are we underwriting project actions by the removal of wildlife legacy structures. If that were the case, the project would look dramatically different. We do believe however that it is in the public interest and consistent with the Forest Plan to recover value of harvested material." The Forest Supervisor also wrote to the National Marine Fisheries Service requesting that the agency complete its consultation within the regulatory timeframe.

AFRC is working with our partners and members, as well as Congressional offices, to monitor the situation and facilitate completion of the consultation. */Lawson Fite*

## **Smokey Project Litigation**

The Smokey Project on the Mendocino National Forest is a commercial thinning sale within the Buttermilk LSR designed to decrease wildfire risk and wildfire intensity. The total project area is 6,400 acres and would produce 6.5 million board feet. Conservation Congress challenged the project under NEPA, the ESA, and NFMA regarding effects on northern spotted owl and alleged that an EIS should have been prepared. AFRC intervened on behalf of member Trinity River Lumber Co.

Although the project was first approved in 2013, operations were suspended while the Forest Service and the U.S. Fish and Wildlife Service (Service) twice reinitiated consultation after discovery of new spotted owl activity centers. The Service issued a second supplemental Biological Opinion in July. Briefing on the project is to conclude in June 2016, operations will then resume absent further order of the court. */Lawson Fite*

## **Fires Keep Timber Programs in Limbo**

The devastating forest fires that burned millions of acres in the west this summer and fall continue to have far-reaching impacts, including the Forest Service's timber sale program. Throughout the west, catastrophic fires have burned through existing timber sales, proposed project areas, and diverted agency staff and resources away from preparing and executing green timber sales.

The first order of business for the Forest Service will be addressing key administrative questions:

- 1) How will the agency handle existing timber sales that include burned units?
- 2) How will the agency handle future timber sale planning areas that include burns?
- 3) What is the best allocation of resources to administer annual green timber projects versus salvage projects?
- 4) What is the best tool to capture salvage volume (CE, EA, or EIS)?

The Forest Service also faces a serious hurdle in managing an unknown budget. Because Congress has not passed a funding bill for Fiscal Year 2016, the Forest Service has not yet received a final budget allocation. This makes it extremely difficult for the agency to plan for new green and salvage timber sales.

On a bright note, AFRC staff learned on a recent trip to Washington, D.C. that the "fire borrowing" monies repaid to the Forest Service (\$700 million) by Congress will allow for some discretion on how the monies are distributed – likely allowing the Forest Service to replenish funding accounts for timber management. AFRC staff also learned that if Congress passes an Omnibus Appropriations bill as expected in December, the Forest Service timber target for Fiscal Year 2016 will increase to 3.2 billion board feet (bbf), which is up from 2.9 bbf in 2015. The final distribution of funds and timber targets to each Region and Forest has not yet been determined. */Tom Partin*

## **Report on Idaho Forest Health**

The [Evergreen Foundation](#) recently released an informative, but alarming, report on the state of Idaho's National Forests. The report highlights the disturbing fact that of the 696 million cubic feet of net growth on Idaho's forests, 80 percent is dying each year. To put that amount of mortality in perspective, Idaho's annual forest mortality would "be a solid block of wood the size of a football field stretching 1.8 miles into the sky."

The report, "[The Ticking Time Bomb in Idaho's National Forests: Where do we go from here?](#)" discusses the growing role of collaboratives in forest management and provides recommendations to address Idaho's forest health crisis. */Tom Partin*

## **N. California FY15 Target Accomplishments**

The Klamath, Six Rivers, Shasta Trinity, and Mendocino National Forests did not meet their Fiscal Year 15 targets. The target for the Northern Province was 103.2 million board feet (mmbf) and the final accomplishment was approximately 82.3 mmbf or 80% of the assigned target. Sawlog volume accounted for 57%, biomass accounted for 28%, and firewood accounted for 15%.

The Mendocino accomplished 98% (all firewood) of its target, the Six Rivers 92%, the Klamath 79%, and the Shasta Trinity 77%. Consultation issues with U.S. Fish and Wildlife Service and National Marine Fisheries Service kept the Klamath from offering recovery (salvage) sales and meeting the target. Fires on the Shasta Trinity burned through one sale that was being advertised, which had to be pulled and kept the Forest from meeting its target. */Rick Svilich*

## **Blue Mountains Forest Plan Revision Update**

In 2014, the Forest Service released a [draft Environmental Impact Statement \(DEIS\) and Proposed Revised Land Management Plan](#) for the three forests in the Blue Mountains: the Malheur, Umatilla and Wallowa-Whitman. Over 1,000 comment letters were received. Based in part on that feedback, the three Forests worked with communities and stakeholders to identify topics for further discussion – including the Allowable Sale Quantity (ASQ), the pace and scale of restoration, livestock grazing, access, and wilderness. The Forest Service held a series of public workshops this year to allow interested participants the opportunity to speak and propose solutions. The intent of this further public engagement was to determine if additional alternatives were needed.

In April, a group of industry representatives met with Forest Supervisors and members of the Blue Mountains forest planning team to provide the Forest Service with a list of questions and concerns on the draft plan, which included:

- How was the Vision developed?
- How was the Desired Condition derived?
- How were land management allocations developed?
- How were volume estimates and the proposed ASQ developed? (It was clear to the industry that the ASQ as proposed in the DEIS, was not sufficient to support the existing industry infrastructure.
- How were suitable acres for timber productivity determined?

At a follow-up meeting on November 12, the Forest Service informed industry participants that the agency does not intend to craft new alternatives to satisfy the needs of the local communities or to look at the current innovations that are taking place around the region. The Regional Office has directed the planning team to produce the plan on an accelerated schedule with the final EIS to be completed by September 2016. */Irene Jerome*

## **Pinchot Partners Receive Grant**

The [Pinchot Partners Collaborative](#) was excited to learn on November 16 that they had been selected to receive a grant from the Weyerhaeuser Family Foundation. The grant will allow the group to continue its huckleberry enhancement work. The “Pole Patch Huckleberry Enhancement” project was the first major effort in cooperation with the Cowlitz Tribe and the Forest Service to address huckleberry production. Since that time the collaborative has had a desire to develop a more comprehensive

huckleberry assessment and management concept. As with most things, it was determined it would take more money to develop this concept on a wider scale. Realizing this would require more capacity on the part of the Partners and the Forest Service, and not wishing to decrease capacity on other important work, the collaborative sought out grants to assist funding the work.

The collaborative will use the funds to work with the Gifford Pinchot National Forest on the development of a forest wide huckleberry strategy. This will include conducting an assessment of current and historical huckleberry fields, a preliminary assessment of the economic impact of huckleberry production, and a “feasibility assessment indicating how huckleberry restoration and timber harvest can work hand in hand to develop a sustainable long term, programmatic approach.”

The group plans to hold several stakeholder public meetings and work is anticipated to begin in early 2016. This will be another aspect of the Partners work to help create jobs - including jobs in the forest products industry - enhance recreational opportunities, and assist in the development of projects benefiting watershed health on the Gifford Pinchot National Forest. Congratulations to the Pinchot Partners. */Matt Comisky*

## **Washington State Forest Sector Lead**

In 2013 the [Washington State Department of Commerce](#) was reorganized by Commerce Director Brian Bonlender. As part of this process the Office of Economic Development and Competiveness (OEDC) was formed. The OEDC has been engaged with business and industry leaders to collaborate on strategies and policies to help grow certain target sectors. The OEDC is working in seven primary [sector areas](#), including aerospace, clean technology, military and defense, and the newly formed [Forest Products Industry](#).

Brian Hatfield, former state Senator from Raymond, filled the Sector Lead position on September 1. He will work with other divisions of the Department of Commerce to maintain and enhance economic opportunities in the forest products industry in Washington. Some of the areas of interest will be cross laminated timber, other innovative wood building products, and wood-to-energy concepts such as biomass. AFRC looks forward to working with Brian and the Department of Commerce in the future as this program develops further. */Matt Comisky*