



March 2024

Re: The Loss of Pacific Northwest Forest Sector Infrastructure and Jobs and Its Meaning for Resilient, Healthy Forests and Communities

Dear Members of the Pacific Northwest Congressional Delegation:

As you know, Western Oregon has experienced the closure or curtailment of three wood product mills since the beginning of the year. These closures – when using common job multipliers – will impact thousands of workers, families, local communities, and businesses. Unfortunately, additional closures and curtailments in the Pacific Northwest are likely to occur.

This letter provides background and context for the factors contributing to this loss in human and physical forest sector infrastructure. **The continued loss of the remaining infrastructure directly undermines the ability of the Federal Government to responsibly steward public lands and to meaningfully address the federal forest health and wildfire crises.** It also further reduces America’s ability to meet our growing demand for carbon-friendly wood products. Your leadership and action are needed.

Background

All three Western Oregon mills that announced closures or curtailments this year are surrounded by some of the most productive public forestland in the country. All three mills purchase and rely on public timber to operate and sustain workforces. All three mills cited the lack of timber supply (i.e. high log prices, see below) as a significant factor in the decision to close or curtail operations.

While complex, domestic and global economic trends impact the forest sector (e.g. inflation, interest rates, markets, energy prices, workforce) the current and foreseeable decline in timber supply from all forest ownerships in the Pacific Northwest has led and will lead to mill closures, the loss of jobs, and impacts to communities – and ultimately, jeopardize the ability of the Federal Government to improve forest health, increase resiliency, reduce wildfire risks on federal lands, and protect communities.

In plain terms, log prices are driven by supply and demand. In the Pacific Northwest, current milling demand for logs, driven by public demand for wood products, is higher than current and projected log supply. Either regional log supply needs to increase to meet public demand, or the Pacific Northwest will experience additional mill closures and losses in critical workforce. We can meet this demand by responsibly managing our forests in the Pacific Northwest, or this demand will be met in other parts of the country and from countries that do not share our social and environmental values.

Context

The intersection and interdependence of the forest sector, land ownerships, log supply, and workforce is often misunderstood. The Pacific Northwest “wood basket” includes multiple forest ownerships: private industrial lands, private small woodland owners, Washington Department of Natural Resources (DNR) state trust lands, Oregon state forests, Forest Service lands, Bureau of Land Management (BLM) O&C lands, Tribal lands, and other owners. All forest landowners play a critical role in sustaining the existing forest infrastructure, which supports more than 150,000 private sector jobs in Oregon and Washington, creating billions of dollars in payroll, local economic benefits, and essential public services.

As a result of the drastic reduction of federal timber supply in the 1990s, most of the log supply supporting Pacific Northwest mills comes from private industrial forestlands. The private industrial forest ownership in the Pacific Northwest is experiencing significant changes, all of which are *reducing* the availability of logs to local mills. These changes include:

Oregon 2020 Labor Day Fires

The Oregon Labor Day fires burned over 425,000 acres of private industrial land, 268,000 acres of which burned at medium and high severity. According to an [Oregon Forest Resources Institute report](#), the “loss of timber on merchantable and pre-merchantable timber stands will reduce future harvests by 115 to 265 [million board feet] per year over the next 40 years. This will cost 1,200 to 3,000 jobs in Oregon’s Forest Sector.”

This is a significant loss in expected timber supply to Oregon mills for the *next four decades*. Yet, these impacts represent *one* fire season in Western Oregon alone. They do not account for wildfire impacts to forestlands throughout the Pacific Northwest since 2020, or expected future impacts from wildfires and other major disturbances.

Oregon Private Forest Accord (PFA)

In 2021, some members of timber and conservation groups agreed to recommend changes to Oregon’s Forest Practices Act, impacting more than 10 million acres of private and non-federal forests, the same forestland ownership as the 2020 Labor Day Fires. The PFA is expected to reduce log supply from Oregon’s private forestland ownership by as much as 10 percent, or 270 million board feet annually. This equates to a loss of approximately 3,000 jobs in the forest sector. Unfortunately, considering the recent mill closures, these projected job losses are already beginning to occur.

State forests also provide an important supply of logs to Pacific Northwest mills. Like private industrial forestlands, state forests are also experiencing significant change resulting in a *reduction* in log supply to local mills, including:

Washington DNR State Trust Lands

The Washington DNR manages more than 2.4 million acres of forested state trust lands for long-term timber production and is one of the most important suppliers of public timber in the Pacific Northwest. Washington DNR is required to calculate the timber volume they can harvest sustainably every ten years (called the Sustainable Harvest Calculation, or SHC). In 2019, the

Board of Natural Resources reduced the SHC by 85 million board feet/year at least through 2024. DNR is on track to fall 250 million board feet short of the current decadal SHC and further reductions to the SHC are expected for the next decade. Policy decisions are driving these reductions. These harvest reductions represent a loss of additional forest sector workers.

Oregon Department of Forestry Habitat Conservation Plan

This month the Oregon Board of Forestry approved a Habitat Conservation Plan (HCP) for roughly 700,000 acres of Oregon state forests. Between 2010 and 2020, these state lands provided an average annual output of 285 million board feet of timber to support communities and the local infrastructure. Recent projections estimate the total annual output from state forests covered by the HCP will drop to between 165 and 185 million board feet per year, a 30-40% reduction. This change represents a loss of an additional 1,815 and 2,035 private forest sector jobs.

Implications for Congress and Federal Lands

While these complex dynamics are playing out in the Pacific Northwest resulting in a contraction in the forest sector infrastructure and workforce, millions of acres of Federal lands – including old growth forests – are at imminent risk from catastrophic wildfires, insects, and disease. Federal forests are in desperate need of science-based, active management and restoration.

In response, the Congress has provided \$6 billion to the Forest Service and BLM through the Bipartisan Infrastructure Law (BIL) and Inflation Reduction Act (IRA) to accelerate the pace and scale of treatments to remove hazardous fuels loads, improve forest health and resiliency, and to protect communities, property, infrastructure, and public health. The Forest Service proposed in the 2022 Wildfire Crisis Strategy the ambitious goal of treating an additional 20 million acres of National Forest System land over the ensuing decade.

This critical work requires and depends on the existing and remaining forest sector infrastructure in the Pacific Northwest – modern and efficient mills, loggers and forest contractors, truck drivers and equipment operators, and the vast supply chains the forest sector supports. A logical outcome of historic Congressional investments to accelerate forest health treatments on millions of acres of at-risk Federal forests would be additional log supply to support the local infrastructure and workforces required to do the work.

This has not occurred in the West. In fact, log supply from Forest Service and BLM lands in the Pacific Northwest has remained flat or *decreased* since the passage of the BIL and IRA. In Western Oregon, for example, the BLM timber program for Fiscal Year 2024 has been arbitrarily reduced by more than 25% from the previous year. These cuts also represent a 25% shortfall from the timber levels directed in the BLM's current Resource Management Plan.

As log supply continues to decline on *all forestland ownerships* in the Pacific Northwest leading to losses in critical infrastructure, workforces, and viable markets, the Federal Government faces a serious risk of not being able to meaningfully move the needle in addressing the federal forest health and wildfire crises at scale, regardless of the level of Congressional investment. This failure jeopardizes our air, water, wildlife, climate and carbon goals, human health and safety,

and the future viability of our national forests to continue providing priceless socio-economic and cultural benefits to our country.

Actions Needed

Your leadership is needed to address the factors that are now contributing to the loss of jobs and infrastructure. We hope you will consider the following actions that will help support the remaining forest sector infrastructure and workforce that is critical to the needs, mission, and goals of the Federal Government on public lands:

Provide direct and transparent oversight of Forest Service and BLM investments and on-the-ground outcomes. This could include, but is not limited to, publicly expressing your expectation and strong support to the Chief of the Forest Service and BLM Director for growing log supply to Pacific Northwest mills through the implementation of the Wildfire Crisis Strategy, improving forest health and resiliency, and protecting communities. No one is asking the Federal Government to “clearcut old growth” to generate more timber supply. We are asking the Federal Government to responsibly manage and steward public lands. In no case should historic public investments in forest health and wildfire prevention treatments lead to lower outputs and predictability for local mills, businesses, communities, and workers. Yet, that is what is happening right now.

Meaningfully engage in the Northwest Forest Plan amendment and National Old Growth amendment processes. These complex, concurrent processes will shape federal forest management for the foreseeable future throughout the West and Pacific Northwest. Your leadership and voice are needed to ensure final amendments to forest plans reflect best-available science; incorporate and respond to public input; respect, engage, and include Tribes and Indigenous knowledge; and remove roadblocks preventing proactive, intentional, strategic management and restoration of Federal forests. Log supply should be an expected outcome of responsible, active forest management to restore Federal lands on millions of at-risk acres. Forest plans that further restrict and reduce work in Federal forests will not be politically viable, socially acceptable, or economically sustainable.

Exercise caution in considering legislation that will prohibit or limit active forest management on Federal forests. The Forest Service and BLM are rightly being directed to address a wildfire and forest health crisis impacting more than 80 million acres of Federal lands across the United States. The Congress has provided substantive planning tools and robust funding to execute the Wildfire Crisis Strategy. As mentioned above, the Forest Service is simultaneously undertaking a national effort to define and map old growth, assess the risks to old growth, and to amend all 128 national forest plans to protect old growth – all by the end of 2024. The Congress should exercise caution in adding more complexity, administrative burdens, and potentially contradictory direction to the Forest Service and BLM through legislation that would explicitly prohibit or limit active forest management, and thus further reduce log supply and jeopardize the viability of the forest sector and its workforce.

Pass a bipartisan Farm Bill that incorporates broadly supported reforms to the current management paradigm. In the long term, the Congress must address the broken, passive management paradigm to manage, restore, and protect our National Forest System lands. The

Farm Bill provides a bipartisan opportunity to consider and incorporate many of the 148 recommendations made by the federal Wildland Fire Mitigation and Management Commission created in 2021 and consisting of 50 experts of diverse backgrounds. The Commission submitted its second and [final report](#) to the Congress on September 27, 2023 and “reflects one of the most sweeping and comprehensive reviews of the wildfire system to date.” Implementation of these recommendations and reforms would help the Federal Government meaningfully address the forest health and wildfire crises, and thus provide greater opportunity, predictability, and certainty to the forest sector.

Conclusion

A healthy, robust, resilient forest infrastructure and workforce are symbiotic with healthy, robust, resilient forest ecosystems. In the Pacific Northwest, the continued reduction of available, predictable, affordable timber supply from all forest ownerships has led and will lead to mill closures, the loss of forest sector jobs and expertise, and negatively impact communities and local businesses. If the Federal Government is going to be successful in addressing the current federal forest health and wildfire crises – and protect the extraordinary social, environmental, economic, and cultural values of our public lands – it must sustain and grow the forest infrastructure and related workforces.

We also see opportunity in the growing need for carbon-friendly wood products to help us decarbonize our homes, offices, schools, and other buildings. In fact, at the recent COP28 conference in Dubai, the United States joined 16 other countries to announce support for substantially increasing the use of wood products in construction as a “vital decarbonization strategy.” There is historic opportunity and momentum to meaningfully address our forest crises for the benefit of all. That opportunity is slipping by as more mills close, more forest sector jobs are lost, and proactive, intentional management becomes more difficult to implement on the ground.

With this background, thank you for considering the leadership actions you can take to support our common goals of healthy forests and healthy communities.

Sincerely,

A handwritten signature in black ink, appearing to read "Travis Joseph". The signature is written in a cursive, flowing style.

Travis Joseph
President