

Testimony before the House Natural Resources Committee
Subcommittee on National Parks, Forests and Public Lands

Hearing Title: The Future of the Forest Economy

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Submitted by:

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Background

Sierra Forest Legacy is a broad-based coalition of 89 conservation groups from grassroots, regional and national perspectives united by a mission to protect and restore the nearly 12 million acres of Sierra Nevada forests, its wildlife and rivers and streams. We support the re-establishment of natural ecological processes using controlled fire and wildland use fire in forest restoration efforts. Since our formation in 1996, we have focused on monitoring Forest Service management on nearly 12 million acres of public land on the 11 national forests that encompass the Sierra Nevada from Oregon south to the Kern Plateau, where President Clinton created the Giant Sequoia National Monument in April 2000.

Besides a forest conservation and protection program spanning the 11 national forests of the Sierra, Sierra Forest Legacy has developed a unique Community Forestry program: <http://www.sierraforestlegacy.org/CommunityForestry.php> including implementing the Firewise Communities, USA program in the Sierra led by our two staff foresters, and a Conservation Community Wildfire Protection Plan effort written for and with communities interested in balancing protection of wildlife, forests and homes. We also created our "Sierra Green" small wood and biomass utilization effort in the central Sierra to support ecologically sustainable small wood utilization and biomass removal for heat and electrical energy. We know of no other environmental coalition in the West that has staffed and funded such a diverse, solution-based effort as Sierra Forest Legacy's Community Forestry Program.

The 2001 Sierra Nevada Conservation Framework

We worked from 1996-2000 with the Clinton Administration, former USDA Undersecretary, Jim Lyons, the Council on Environmental Quality, Forest Service Chief Mike Dombeck, and the U.S. Fish & Wildlife Service to secure the 2001 Sierra Nevada Framework Decision which amended the eleven forest plans in the Sierra Nevada with the full support of the science community and the best available science. We worked in full collaboration with the Forest Service in Region 5-California. This multi-award winning planning decision for Sierra Nevada national forests represents the most

significant, science-based decision in the Forest Service's 100+ year history. It placed old growth and wildlife protection on par with fire hazard reduction, community protection and ecological restoration.

The 2001 Sierra Framework had the broad support of political leaders, agency officials, the scientific community (who were instrumental in advising the Forest Service on each of the plans components), the major newspapers, the California Attorney General's office (who is a co-litigant against the Bush Administration revisions to the Plan), California Congressional Democrats, the California Resources Agency, Federal EPA in Region 9, California Dept. of Fish and Game, the Regional Water Boards, and more. The California timber industry was not a supporter.

In 2001 the Bush Administration immediately began a process of dismantling the earlier Framework, replacing it with the one-size-fits-all plan that ramped up logging levels five times that of the Clinton-era plan. The revision ignored the bulk of the unique, science-based prescriptions developed for protecting and enhancing old growth forests and at-risk wildlife species. The Bush era revisions also moved the focus of treatments away from communities and increased more intensive logging in wildlands.

While past Forest Service Chief, Dale Bosworth, affirmed the 2001 Framework Decision—calling it a balanced decision—Mark Rey, USDA Undersecretary, began the dismantling process in earnest. In January 2004, the revised decision was approved and our appeal was denied. Although Forest Service Chief Bosworth pointed to critical flaws in the Bush Administration revisions, these deficiencies did not hold up the revised plan which provided a back door way to eviscerate the unique, science-based planning of the 2001 Framework and the means to “bullet-proof” the ramped up logging agenda.

While we admit that no plan is perfect, we rigorously defend the 2001 Sierra Nevada Framework to this day. It should be no surprise that with such broad scientific support and over \$23 million public dollars spent in planning from 1992 to 2001, Sierra Forest Legacy filed suit in January 2005. While never attempting to actually implement the 2001 Plan, the Forest Service quickly lined up behind industrial logging interests leading to the 4 ½ year legal struggle to prevent the worst of the Bush Administration's logging impacts.

We recently (May 14, 2008) won an injunction in the 9th Circuit Court of Appeals that halted a handful of projects on the Plumas National Forest and which also held that we were likely to prevail on the merits of the larger challenge to the Bush Administration's Framework revision. We are waiting for a broader opinion from the 9th Circuit in California in a very complicated case—a long 4 ½ year wait.

What hasn't worked in the past—helps us know where to head in the future.

The following are some specific issues that have driven conflict in the forest policy and management debate which need to be re-examined:

- The Quincy Library Group is a failed model for collaboration.

It is flawed social policy to grant a de facto “right of proximity” as a type of community empowerment to those who live near, and benefit directly from, resource extraction on publicly owned land that belongs to all Americans.

Richard Haynes, retired Forest Service social science researcher in Region 6, the Pacific Northwest, has written that the federal land manager’s “predilections toward community stability seemed to be based on a version of sylvan socialism rather than on the facts” (see Richard Haynes essay from the Inner Voice—**attachment 5**). Haynes argues that federal land managers are following a “misguided paradigm” in thinking they have the tools to exercise control over economic growth and the changes in goods and services on public lands. The current collapsed housing market we see today demonstrates how remote forces can impact the Forest Service’s ability to proceed with restoration in part due to the lack of diversity in treatment options and changing societal values outside their control. “Sustainable rural communities” are often thought of as meaning communities with a sustained flow of natural resources rather than communities which practice ecologically sustainable forest resource management.

Finally, the myth of environmentalist support within QLG needs to be seen for what is it. The recent disclosure of several years of payments totaling more than **\$470,000** to the two self-described environmentalists, coming from Sierra Pacific Industries and the rural counties that directly benefit from the logging, casts a long shadow of doubt and concern over the motives and intentions of these parties. While we have reached out to QLG members in the past year and a half in an attempt to revolve project stalemates, we were not aware, until recently, how well paid were those who have most vocally resisted compromise (**see attachment 3**).

Although Senator Dianne Feinstein has established a facilitated dispute resolution process involving Sierra Forest Legacy, the Forest Service and the Quincy Library Group, the QLG has recently abandoned that effort. Sierra Forest Legacy continues to work with the Forest Service on resolving differences on the northern national forests.

- Sierra Pacific Industries (SPI) benefits from massive annual earmarks to QLG forests.

In recent years, the Plumas NF, Lassen NF and a district of the Tahoe National Forest have received roughly \$250,000,000 million dollars in standard forest budgets with

millions of QLG-specific earmarks embedded within them since 2001 (2007 QLG Status Report to Congress-Plumas NF website). The trees cut in these projects wind up going mostly to SPI mills. What did SPI do to receive such a gracious public benefit?

We offer several reasons why members of Congress should re-think this annual earmark that indirectly benefits Sierra Pacific Industries:

1. Massive clear cut logging: Sierra Pacific Industries has clear cut approximately 250,000 acres of the Sierra Nevada since 1999. In an era of increased awareness of the value of standing forests for carbon sequestration, SPI is cutting their ownership at an alarming rate (see attached photos of Sierra Nevada clear cutting—**attachment 6**).
2. Water Quality Violations: In 2003 SPI settled a \$1.5 million case involving soil and water pollution to an estuary of Humboldt Bay from their Arcata Mill; in the Sierra Nevada region alone, between 1998-2008, SPI was cited by the California Central Valley Regional Water Quality Control Board at least 14 times for water quality violations involving effluent discharges from their facilities, resulting in \$141,000 in fines (**see attachments 10 & 11**).
3. Air Quality Violations: In 2007 the California Attorney General filed suit for the People of California (the *People of the State of California v. Sierra Pacific Industries* Case No. SCV 17449) alleging a stunning pattern of emissions violations from their sawmill power plants in Quincy, Lincoln, Susanville and Loyalton, California from 1999-2004. Violations included *operating without required pollution control equipment, failure to report violations, concealing violations from regulators, and tampering with monitoring equipment to indicate lower emissions*. Significant numbers of California's breathing public live near these facilities and over 15,000 people live downwind who were victims for these illegal actions which demonstrate complete disregard for public health and welfare (**see attachments 7-9**).

SPI managers knew of the emissions violations and failed to take corrective action (see **the Peoples Brief at p. 22, attachment 8**). One SPI employee joked that he prepared "upset/breakdown" reports so frequently that he feared carpal tunnel syndrome from the paperwork (see SPI Air Quality Violations Summary, **attachment 7**).

SPI was liable for over \$13,000,000 in civil fines and penalties and millions more in agreed upon equipment upgrades, environmental audits, emissions alarms, fuel storage systems and more. SPI violated the law for economic advantage while SPI's competitors spent \$1,145,000,000 installing pollution control equipment to operate legally.

In conclusion:

In an era of a greening economy and increased concern for public health and welfare and the desire for a more collaborative, diverse set of restoration options, is this how we should be spending public tax dollars supporting an industry logging giant who owns

over 1.5 million acres of private timberland? After a decade of directed earmarks to Quincy, CA, in a county of roughly 25,000 people, it is time to adequately fund other national forests in the central Sierra where 150,000 to 250,000 people are at risk of uncharacteristic fire in the wildland-urban interface (WUI).

Making Progress with the Post-Bush Administration Forest Service

In the final months of the Bush Administration, to the present, we have experienced significant improvement in our working relationships with the Forest Service in Region 5. The progressive leadership of Regional Forester Randy Moore and his Deputy for Natural Resources, Beth Pendleton, coupled with the new forest supervisors filling positions in the northern Sierra, provide a highly professional and forward thinking cadre of leaders that are focused on solving the long-standing stalemate over forest policy during the Bush years.

These renewed relationships are a breath of fresh air after eight difficult years of rule re-writing, dismantling of roadless area protection, Endangered Species Act trampling and a general lack of communication with the past administration.

Below are examples of some of our recent progress:

- A final agreement between Sierra Forest Legacy and the Lassen National Forest on an implementation strategy for 3 timber sales in the North 49 project.
- Progress on collaboration in designing a proposed action for the large Creeks II project, also on the Lassen National Forest.
- The design and implementation of the Cedar Valley project south of Yosemite National Park in collaboration with the Forest Service, Sierra Forest Products mill owners, Forest Service and academic scientists from University of California, Berkeley and Sierra Forest Legacy all working to create the right level of thinning prescriptions in a landscape containing the rare Pacific Fisher, a forest carnivore related to mink and otter which is “warranted” for listing under the Federal Endangered Species Act and is a state candidate for listing under California’s ESA.
- Support for and design of the new General Technical Report from the Pacific Southwest Research Branch, Sierra Nevada Research Center (PSW-GTR-220)—*An Ecosystem Management Strategy for Sierran Mixed Conifer Forests* (2009) authored by Malcolm North, Peter Stine, Kevin O’Hara, William Zielinski, and Scott Stephens.

This ecosystem strategy represents a new management platform for landscape planning and the cultural pathway to move forward in balanced collaborative restoration efforts that focus on the real threats to our forests, absent an

aggressive logging agenda. The new Forest Service GTR contains many of the enlightened ideas and balance in the 2001 Sierra Framework where wildlife protection is not trumped by aggressive logging, or false claims to the need to log large, ecologically important trees for fuels reduction purposes.

- The Kings River project where the Forest Service finally pulled the plug on aggressive treatments in the heart of Pacific Fisher country and replaced the project design with a new approach based on the Ecosystem Management GTR mentioned above.

It is these types of actions, where the Forest Service has taken progressive positions in difficult situations, that have gotten the attention of Sierra Legacy and our partners. It is these types of actions that rebuild trust and lead us to put more time and resources towards working on results on the ground and less on litigation.

The Future of the Forest Economy

The forest industry of the future will have to be one that we create by fostering collaboration and support for innovation and restoration success. It needs to be much more economically diverse, adaptive, and supportive of (versus hostile to) science-based management. We need to move from the model of one giant mega-industry to “lots of little” industries, appropriately scaled to unique landscape restoration needs.

The Forest Industry of the future is happening right now: White Mountains Stewardship Project and the new Arizona Partnership MOU with the Center for Biological Diversity, the Grand Canyon Trust and Arizona Forest Restoration Products; the Lakeview project in SE Oregon with the Wilderness Society and Collins Pine; collaborations like the CHIPS project and the Calaveras Consensus in California, partnerships with the Vaggen Brothers in eastern Washington and the Lands Council and Conservation Northwest; and the Dinkey Creek project in the southern Sierra where Sierra Forest Legacy and other stakeholders are using the new Region-5 GTR, mentioned above, to shape the project design...these are all examples of people with diverse interests working together to forge restoration solutions that foster ecosystem sustainability and build economies of appropriate scale and durability in rural communities. What unites all these projects is that they target real restoration needs and resist a return to aggressive, off target logging to fund the work. These projects focus on long term restoration of large landscapes and provide longer term economic certainty for smaller anchor businesses.

The Forest Products Industry of the future needs to be scaled to the varied restoration problems that exist in various regions of the country. They must also be scaled to change with the changing needs of the ecosystem.

We need infrastructure focused on the primary threats to forests. Fire scientists working in the Sierra Nevada identify 3 components of the fire hazard problem: surface fuels,

ladder fuels, and crown fuels. They assign a percentage level to each category i.e, surface fuels are 60-70% of the problem, ladder fuels are 20% of the problem and crown fuels make up about 10% of the problem. We have very little infrastructure to deal with 90% of the problem, while we have fought for decades over the area of 10% disagreement. That equation needs to change. We need funding for restoration and infrastructure to address the major problems in our forestlands where there is broad agreement and spend less time and waste less money on areas of disagreement. I believe that the more funding allotted to the Woody Biomass Utilization Fund and other efforts to support small wood and biomass utilization the more success we will have restoring large landscapes.

Forest Landscape Restoration Act 2008

The Forest Landscape Restoration Act is a thoughtful new tool for getting successful work done on the ground. This new statute focuses on larger landscapes 50,000 acres or larger, projects must be collaboratively developed 10-year efforts and plans must pass a review by a science-based advisory panel within the region of origin. The projects must focus on woody biomass and small-diameter tree utilization with a clear set of restoration goals while benefiting rural economies.

\$40,000,000 is authorized to be appropriated which hopefully will happen this year.

Firewise Communities USA Programs Help Foster Appropriate Forest Restoration

Support for the Firewise Communities USA program for communities that exist in fire-prone landscapes is an important step in continuing the education of homeowners and fostering personal responsibility for creating and maintaining a fire safe landscape that will survive a fire without assistance. More attention needs to be paid to the work of Forest Service scientist Jack Cohen and others related to treating the 200-foot “home ignition zone” in forest communities. When homes are “Firewise” fuels management efforts in WUI areas such as controlled burns and wildland use fire are safer and generally supported by the communities. Firewise is a great organizing tool to engage homeowners associations and larger community regions in their own fire protection. A secondary benefit is that surrounding forest lands don’t need overly aggressive treatments in order to protect homes when homeowners take responsibility for their home protection.

Increased Incentives for Appropriate Biomass Utilization

Whole tree yarding is one of the common logging practices in thinning projects in the Sierra Nevada and elsewhere. This practice involves bringing whole trees (often in bundles) into a landing or procession area where the tops and limbs are removed and piled and the trees are sent to the milling facility. These logging slash piles can be enormous in size and usually wind up being burned on site in many cases. Burning this

material causes major emissions, and “wastes” precious good burn days thus limiting landscape ecological burning opportunities. It is also speculated that the interior of these piles emit methane, a serious greenhouse gas. Currently, there is little incentive to “move” this biomass from the forests in the central and southern Sierra to biomass facilities where this material could be used to produce heat and electricity, offsetting fossil fuel use. Besides the need for increased biomass utilization infrastructure (such as wood pellet manufacturing facilities) of appropriate scale, there needs to be an ecologically and economically appropriate incentive system put in place that credits biomass utilization from sound forest restoration projects to “move” this material to an environmentally appropriate destination.

In Conclusion:

I’d like to end with what President Barack Obama (then candidate Obama) said would be his wildfire management and community protection strategies if elected:

“We will place a high priority on implementing of cooperative projects to remove brush, small trees and other overgrown vegetation that serve as fuel for wildfires.”

“Resources will be focused where they will do the most good: in the wildland-urban interface, and not in fighting fires or on logging projects in remote, backcountry areas.”

Thank you for this opportunity to appear before you today.