



STATEMENT OF

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ON BEHALF OF

THE NATIONAL ASSOCIATION OF COUNTIES

BEFORE THE

SUBCOMMITTEE ON FEDERAL LANDS
UNITED STATES HOUSE OF REPRESENTATIVES
COMMITTEE ON NATURAL RESOURCES

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Chairman McClintock, Ranking Member Tsongas and members of the Subcommittee, thank you for the opportunity to testify today on the discussion draft of the Returning Resilience to our Overgrown, Fire-prone National Forests Act of 2015. This draft legislation to improve the health of our nation's forests is important because twenty-six percent of counties across the United States contain National Forest System land, which presents numerous challenges and opportunities for these forest counties.

The discussion draft before us today represents a strong step toward addressing some of those challenges by promoting active forest management, streamlining regulatory processes for forest projects that improve the health of forests, encouraging local and consensus driven land management, and equitably sharing forest revenues with counties to support critical local services such as roads, schools and law enforcement.

Introduction

My name is Ron Walter and I am testifying today on behalf of the National Association of Counties (NACo), the only national organization that represents all 3,069 county governments across the United States. I have served on the board of commissioners for Chelan County, Washington since 2001 and am the current chair. I also serve as the chair of NACo's Public Lands Steering Committee.

National Forest System land management is intensely important to my county. Located in north central Washington State on the eastern slope of the Cascade Range, Chelan County is a large county of roughly 2.2 million acres, just over twice the size of the State of Delaware, with a population of nearly 75,000 residents. Our county's western border is the crest of the Cascade Range and we are bordered to the east by the Columbia River. About 78 percent of Chelan County is federal public land. The county contains 126 thousand acres managed by the National Park Service and 1.3 million acres of Forest Service land, mostly in the Okanogan-Wenatchee National Forest. Our neighbor to the north, Okanogan County, is 75 percent Forest Service land and Kittitas County to our south is 50 percent Forest Service managed land.

Our three counties constitute most of the Okanogan-Wenatchee National Forest, which includes over 4 million total acres east of the Cascade Range. The Eastern side of the Cascades is also the dry side of the mountain range and, on an almost annual basis, the Okanogan-Wenatchee is home to the location of the largest wildfire in the State of Washington. Last year, the Carlton Complex fire burned over 250,000 acres in our region. The Carlton Complex fire destroyed over 200 homes and is the largest fire to date in state history. The devastation of this fire will be felt for many years to come in my community and in neighboring communities.

Active Management Protects Communities and Promotes Forest Health

For forest counties like mine across the United States, the health of our federal forests has a direct impact on the health and safety of county residents. Healthy forests are less prone to disease, infestation and wildfire. According to the U.S. Forest Service (USFS), 58 million acres of

National Forest lands are at a high risk for catastrophic wildfire – that is more than thirty percent of the 193 million acre National Forest System.

While the causes of catastrophic wildfire are complex, including decades of fire suppression, past forest management practices, population growth in the wildland urban interface and record drought, the *status quo* of inaction has only exacerbated present forest conditions, which now present the greatest risk to both communities and the environment.

According to the USFS, from the 1950s through the mid-1990s, the amount of timber harvested from our nation's forests averaged over ten billion board feet annually. During this same time period, the average annual acreage consumed by wildfire was less than four million acres per year. Since 1996, the average amount of timber harvested on national forest lands has been less than three and a half billion board feet and the impact of catastrophic wildfire has increased significantly, consuming over six million acres per year. Since 2004, over 15,000 homes and businesses have been lost to wildfire. Clearly the solution to this crisis is not more inaction, but more active management, consistent with environmental stewardship, with the primary goal of landscape scale forest restoration.

Collaborative Processes Promote Locally Driven, Sustainable Management for Forest Health

Counties believe that federal forests can and should be actively managed in a sustainable manner that ensures the health and productivity of our public lands for generations to come. The best way to ensure a balanced approach to address natural resource management challenges is by promoting locally led collaborative processes that encourage consensus driven decision making consistent with the requirement of federal agencies to coordinate with local governments.

When it comes to policy making, counties are intergovernmental partners, not just another stakeholder group. As such, counties have a vested interest in working with federal and state agencies and stakeholders to find ways forward to manage the federal lands within their boundaries actively and sustainably. Counties provide a wide array of government services that not only are directly and indirectly affected by federal land management decisions, but that also contribute to the management of the federal lands, including planning and zoning, road and bridge maintenance, solid waste disposal, law enforcement, emergency management, fire protection, search and rescue and economic development.

By convening a broad cross section of local stakeholders into a collaborative process, counties have found ways to navigate even the most complex natural resource challenges. Collaborative efforts bring federal, state and local governments and diverse stakeholders together to work out their differences in a meeting room, instead of in a courtroom. They provide the opportunity for robust local participation in the forest management planning process, promote local input on project design, prioritization and implementation and act as a conduit for public input on land management decisions.

Ultimately, local governments and stakeholders know best how to balance conservation needs and economic development in their own back yards. In fact, the USFS reports collaborative processes, through the Collaborative Forest Landscape Restoration Program, have successfully treated nearly 1.5 million acres to address wildfire risk and nearly 85,000 acres have achieved a healthier condition through timber sales.

As Chelan County's representative on the Upper Columbia Salmon Recovery Board (UCRSB), I have watched the positive impacts of the collaborative process play out in my own community. The counties and tribes in north central Washington created the UCRSB to focus on the health of our forests and watersheds and to support the recovery of endangered salmon and steelhead. The UCRSB is composed of one county commissioner each from Chelan, Douglas, and Okanogan counties and one representative each from the Colville Confederated Tribes and the Yakama Nation. Believing that healthy forests and healthy rivers are inextricably linked to healthy communities, we are working together to support effective management of our region's natural resources to create a lasting legacy of aesthetic, economic and cultural values.

At UCRSB we have come to understand that "fish grow on trees." Most of the streams essential to the recovery of our endangered fish species originate on our national forest land. With that in mind, we have initiated and facilitated a forest health program called the North Central Washington Forest Health Collaborative (NCWFHC), which pursues a collaborative approach to accelerating restoration across the Okanogan-Wenatchee National Forest.

The NCWFHC is a diverse group of elected officials, tribal government, timber industry representatives, conservationists, and local, state and federal land managers all working together to restore the forest. The group is using a consensus-based approach to build momentum for large-scale restoration work that will improve forest resiliency, preserve fish and wildlife habitat, protect natural resources, provide opportunities for recreation, promote use of natural resources and support the local economies in Chelan and Okanogan Counties.

Currently, NCWFHC workgroups are:

- Engaging with the Okanogan-Wenatchee National Forest on priority projects in three ranger districts to provide diverse stakeholder input early in project development and to build stakeholder consensus around social, ecological and economic elements.
- Engaging in projects which are further along where collaborative input may increase support for implementation, monitoring, and/or adjusting to changed conditions, such as restoration options for the huge area burned by the Carlton Complex fire in 2014.
- Engaging in the development and local implementation of policies and legislation that can help to increase the pace and footprint of restoration on the Okanogan-Wenatchee National Forest in Chelan and Okanogan counties. For example, the collaborative submitted a letter to the Washington State Forester requesting insect and disease treatment area designations in our two counties on as defined in the 2014 Farm Bill.
- Conducting targeted outreach and education to increase knowledge about the need for restoration in the region in coordination with community partners.

Like my county, counties across the United States have engaged in similar collaborative efforts to address their natural resource challenges. However, collaborative efforts require a significant commitment of county and stakeholder time and resources to be successful.

Counties want to know that, if they invest their taxpayers' time and money and engage in collaborative resource management, those investments will be upheld by their federal agency partners and result in project completion. In recent years, multiple layers of environmental regulation and costly litigation have prevented or slowed the successful and timely implementation of consensus collaborative restoration projects.

Across the country, critical large scale forest-management projects are being held up by federal land managers' fears of litigation and their own analysis paralysis. A fellow county official, Commissioner Dave Schulz from Madison County, Montana, testified before this subcommittee, the work of his forest collaborative to address landscape level forest health challenges has been significantly reduced by regulation and litigation. In his region, local stakeholders working through the Beaverhead-Deer Lodge Working Group had proposed a forest management project in a region known as the Boulder Lowlands to treat nearly 100,000 acres of land that had been identified to be in significant need of management. However, even though the working group had studied the area and advocated for robust landscape level treatment, the Forest Service reduced the project to 1,700 acres of lodge pole pine salvage due in part to fears of litigation over the project.

This draft legislation builds upon what we have learned about collaborative process successes and provides additional tools to help ensure that those efforts continue to work and can accelerate. Collaborative processes can be strengthened by streamlining regulatory review of proposed forestry projects to increase project implementation and the number of acres treated.

The discussion draft would accomplish this by authorizing limited and reasonable categorical exclusions for forest health projects that reduce hazardous fuels, promote timber salvage after catastrophic wildfire and address insect infestations that threaten forest health developed by consensus based collaborative processes. The legislation would also streamline regulatory review by requiring the costs and benefits of a project be weighed against the costs and benefits of doing nothing to address wildfire threats, disease and insect infestation, and their impacts on local water supply and wildlife habitat. NACo supports these improvements to environmental regulation in order to strengthen the involvement of local government in the federal decision-making process, expedite project analysis, and make and implement critical management decisions in a timely and effective manner. The provisions expediting regulatory analysis for timber salvage after major wildfires are also crucial because these sales provide the USFS with the revenue it needs to execute critical and time-sensitive post-fire reforestation work. All in all, these provisions in the draft bill would help create strong incentives for real collaboration and consensus among intergovernmental partners and stakeholders in order to restore our forests at the landscape scale.

Healthy Forests Support Healthy Economies

Promoting collaborative processes, local engagement and active management will not only improve the health of our federal forests, it will also improve the overall economic health of forest counties. Active management will generate more revenue for the federal treasury and for the critical services counties provide, including planning and zoning, road and bridge maintenance, solid waste disposal, law enforcement, emergency management, fire protection, search and rescue and economic development. Active management will also promote job creation and economic growth in forest counties across the nation.

Healthy and productive forests are a significant economic engine for forest counties. Simply put, when forests are working, communities are working. According to the Washington State Departments of Natural Resources and Employment Security, in 1999 Washington State was home to 49,429 jobs directly related to the forest products industry and was producing nearly 4.4 million board feet of timber. At the end of 1999 our statewide unemployment rate was 4.9 percent. By 2011, forest production levels had fallen to just over 3 million board feet and the number employed in the forest products industry had fallen to 39,732 workers. At the same time, the unemployment rate in Washington State had climbed to 8.6 percent. This is to say nothing of the impacts this trend has on household incomes, local and state tax revenues and demand for safety-net programs. In the State of Washington, each forest products job supports 2.64 indirect jobs. There is a direct correlation between employment and forest production and when forest production suffers, communities suffer.

Nationally, forest related industries provide over \$50 billion annually in wages for nearly one million employees nationwide. In addition, timber revenues generated on federal forests are shared between the federal government and counties, providing a direct injection of much needed funds to support critical infrastructure, education, and health and safety programs.

Since 2000, due to sharp declines in forest revenues, the federal government has provided payments to forest counties through the Secure Rural Schools (SRS) program. The SRS program provides a critical safety-net for forest counties impacted by declines in forest production and the loss of forest jobs. It will continue to be a critical program until the declines in forest production can be fully reversed. Until then, ramping up active management of our federal forests can significantly improve the economic vitality of forest communities, creating a sustainable economic engine that promotes job creation and provides much needed funds to support critical county services.

The growth in the USFS stewardship contracting program in recent years demonstrates that forest management projects can work to achieve both forest restoration goals and generate significant revenue. Stewardship contracting allows the USFS to implement forest management projects supported by revenues generated from timber sales generated by the project.

Counties support stewardship contracting as one of the many tools at land managers' disposal to responsibly manage our federal lands. However, since its inception, revenues generated through stewardship contracting have been exempt from revenue sharing with counties. Historically, America's counties have shared in timber receipts with the federal government, receiving 25 percent of revenues generated. Forest revenue sharing payments support critical county services. Counties support, and are active partners, in stewardship contracting initiatives across the United States. However, we believe stewardship contracting revenues must be shared equitably with county governments consistent with historic practices.

In FY 2014, stewardship contracting generated 729 million board feet of timber sales. This is a significant sum when you consider that total USFS timber sales for FY 2014 constituted 2.4 billion board feet of timber. The draft legislation being considered today builds on the historic compact between forest counties and the federal government by extending forest revenue sharing to USFS revenues generated by stewardship contracting projects. Sharing revenues from stewardship contracting will provide much needed support for forest counties, their roads, schools and other critical services. NACo looks forward to continuing to work with Congress to further strengthen forest revenue sharing between counties and the federal government.

Additionally, access to high-quality outdoor recreation activities is an increasingly important component to the quality of life for our local residents as well as to our county economic development strategies. Hunters, anglers, hikers, mountain bikers, skiers, white water rafters, kayakers, campers – both local and visitors – depend on USFS roads for access to the national forests. This draft bill would help make sure that appropriate access is maintained by requiring the USFS to consult with impacted county governments and solicit alternatives before decommissioning a USFS road.

As the owners of 45 percent of the nation's roads and 230,690 bridges, and stewards of nearly a third of the nation's transit systems and airports, counties understand the nation's infrastructure needs. Counties are invested in building and maintaining a safe, efficient transportation system that connects and serves our communities while allowing our nation's economy to remain competitive in an increasingly global market. However, we cannot do it alone. Forest counties in particular need the USFS to be a good partner in managing the transportation system in our counties.

Promoting Greater Flexibility for Forest Counties

As noted above, although USFS lands are federally owned and not subject to county property taxes, counties must still provide critical services – such as law enforcement and search and rescue – for residents and visitors on forest lands. Under SRS, a county may use SRS Title III funds to reimburse county services for search and rescue and other emergency services, including fire protection, which are performed on federal land and paid for using county funds.

This draft bill would provide additional flexibility for counties to use a portion of SRS program funding to support law enforcement patrols and to ensure county first-responders have the equipment and training they need to provide emergency services on forest service land.

In 2012 the Government Accountability Office (GAO) issued a report on how counties were spending SRS Title III funds, and made recommendations to significantly restrict what expenditures should be allowable. GAO specifically found that law enforcement patrols should be ineligible for reimbursement. The USFS adopted GAO's recommendations, which has caused considerable hardship for counties. One Oregon county, for example, has been allotted about \$278,000 per year for search and rescue, but can only spend about \$20,000 a year because of the strict new parameters, leaving the money essentially on the shelf. We believe that Congress intended to provide relief to county sheriffs' departments using local public safety resources on costly search and rescue operations on federal land. The draft bill would restore original congressional intent and enable forest counties to continue providing high-quality first-responder services for county residents and the millions of public lands visitors each year.

Conclusion

The presence of federal forests within a county provides many unique challenges and opportunities for county governments. This draft bill is a significant step in the right direction toward promoting balanced, sustainable, locally driven and active management of federal forests, reducing the risks of catastrophic wildfire and other forest health challenges, promoting economic development in forest counties and protecting the health and safety of forest county residents and visitors.

Thank you for the opportunity to appear here today and I look forward to answering any questions you may have.