Statement of J. Martin Goebel President, Sustainable Northwest Before the Subcommittee on National Parks, Forests and Public Lands House Committee on Natural Resources

United States House of Representatives

July 10, 2008

Hearing to consider H.R. 5263, a bill to encourage the collaborative, science-based ecosystem restoration of priority forest landscapes on Federal lands under the jurisdiction of the Bureau of Land Management and the Forest Service through a joint Collaborative Forest Landscape Restoration Program, and for other purposes.

Good morning Chairman Grijalva and other members of the Subcommittee. I appreciate the opportunity to testify in support of H.R. 5263, the Forest Landscape Restoration Act. My name is Martin Goebel and I am the President of Sustainable Northwest.

Sustainable Northwest is a regional community-based natural resource organization and our mission is to partner with communities and enterprises to achieve economic, ecological, and community vitality and resilience. Since 1994 we have collaborated with rural communities, interest groups, and local, state, federal, and tribal governments in the Northwest and nationally to achieve our goals.

In 2001 Sustainable Northwest founded and has since served as the coordinator for the Rural Voices for Conservation Coalition (RVCC). RVCC is a coalition of western rural and local, regional, and national organizations that have joined together to promote balanced conservation-based approaches to the ecological and economic problems facing the West. Other RVCC partner organizations that endorse this testimony include The Forest Guild, American Forests, Watershed Research and Training Center, Wallowa Resources, Northwest Connections, and Lake County Resources Initiative.

On behalf of Sustainable Northwest and these organizations, I want to thank Chairman Grijalva for introducing this legislation and Congressman Greg Walden of Oregon, my home state, for co-sponsoring H.R. 5263.

Forest restoration is not and should not be a partisan issue and we are encouraged by and supportive of a bipartisan approach to this legislation. H.R. 5263 is the right next step in our collective efforts to restore and maintain our nation's landscapes in a manner that integrates environmental, economic, and social objectives. Integration is not easy to attain and requires a commitment to a vision that does not sacrifice the good of the land for the good of the people or good of the people for the good of the land. We believe this bill will go a long way to achieve this necessary goal in many respects.

As partner organizations, we support the Forest Landscape Restoration Act's purpose to encourage collaborative, science-based ecosystem restoration at the landscape-wide level with a focus on promoting ecological, economic and social sustainability; leverage local and private resources with federal resources, re-establishing natural fire regimes; reduce the risk of uncharacteristic wildfire; and, demonstrate how wildfire management costs can be reduced through the use of restoration by-products while achieving ecological objectives.

The first part of my testimony discusses the current context for rural communities in the Northwest and the need for greater investment in an integrated approach to forest restoration, and provides our perspectives on why the Forest Landscape Restoration Act is needed. The second part of my testimony presents six key opportunities to strengthen H.R. 5263.

Please note we provided these same six comments to strengthen H.R. 5263 in regard to the Senate's nearly identical companion bill (S. 2593) through the testimony provided to the Senate Committee on Energy and Natural Resources on April 1, 2008 by Howard Gross, and my suggestions for H.R. 5263 integrate information from the amended version of S. 2593 that passed out of the Senate Energy and Natural Resources Committee on June 16, 2008.

Greater Federal Investment in an Integrated Approach to Forest Restoration

Sustainable Northwest has been working with rural communities across the Pacific Northwest for almost fifteen years. The majority of the communities we work with are located in towns where our federal government owns and manages more than 50% of the land base. The economic and environmental health of these communities is inextricably connected to how we take care of and invest in our public lands. Today these communities are surrounded by forested landscapes that are degraded because of the "too much" or "too little" syndrome.

We have gone from an era of high-production management that over-harvested our forests and simultaneously suppressed fire, creating a host of ecological problems and a boom and bust economic cycle, to a management model that has all but stopped active management on public lands and has had its own downward-spiraling effects on the land and on local communities. In our dry forests east of the Northwest region's Cascades Range fire risk is far above what is natural. In our wet forests, west of the Coastal and Cascades ranges, we have established second- and third-growth stands and plantations that increasingly need to be managed for watershed and biodiversity values as well as production. In addition, we have developed vast networks of forest roads that have not been well-maintained; their disrepair can negatively affect river and stream systems and the aquatic species associated with them. In my home state that means increasingly threatened runs of salmon and steelhead, which in turn can also have negative effects on tribal and coastal fishing communities.

It is critical that we now move into an era of restoration and integration. We can't afford to let the pendulum swing from intensive management to no management and back again. The extremes are not good for the land or for people.

In small towns like Hayfork, California; Salmon, Idaho; John Day, Oregon; and Malta, Montana; just to name a handful of small resource-dependent towns (there are dozens if not hundreds), Sustainable Northwest sees communities struggling to maintain publicly and privately owned forests, ranches, and other working lands. Not only do these working landscapes provide critical ecological values, but these communities increasingly define themselves in terms of their land and water stewardship responsibility. Community members' ability to protect and manage these working landscapes is a linchpin to their success in re-creating a rural middle-class, thus stemming or reversing a growing poverty and disempowerment trend in many western rural towns. It is critical to appreciate how their work — increasingly in partnership with each other and with federal and state land management agencies — is defining the knowledge base, collaborative processes and innovation we desperately need to see more of across the West, indeed across the country.

There is much discussion about the changing economy of the West, and some suggest that the region is becoming more oriented towards creating a service economy, based primarily on amenity values and tourism. That can be a blessing, but unfortunately these types of activities tend to provide lower-wage,

lower skill, and shorter-duration employment with limited or no career advancement. By contrast, appropriate, community-scaled natural resource based enterprises still offer the best opportunity to provide family-wage employment with benefits, jobs with skills that can offer career advancement, and keep people connected to the land and foster their role as stewards. In many communities prosperity will involve the coexistence of both resource and amenity enterprises.

For many rural Western communities there should be no "either-or" choice between jobs and restoring working landscapes. Instead we must focus on how to maintain our working landscapes by building appropriately scaled restoration, stewardship, and value-added manufacturing and processing capacity while also maintaining ecological function and diversity. This type of integrated approach is essential for sustainable management of forest, range, water, wildlife and clean, renewable energy resources – the foundations of the Western economy, and of our Nation. This is how we will maintain and enhance the multiple values we need to produce on public and private lands in Western landscapes.

H.R. 5263 is correct to focus on landscape scale restoration and to recognize the importance of implementing solutions that emerge from robust collaborative process and linked to strong multi-party monitoring. This type of approach is the only way we will see durable solutions to the normally very acrimonious climate that dominates forest management and policy. A landscape approach is even more critical when considering the expected impacts that climate change is having, especially in the fire prone ecosystems of the West.

The integrated approach that will help find solutions to the ecological and economic problems facing the rural West requires an increased and more consistent federal investment in restoration. A long-term investment approach is critical to effectively using scarce taxpayer dollars.

The Forest Landscape Restoration Act is correct to integrate environmental and economic development strategies into the program. With this type of integration communities will have a chance to re-build their economies in a manner that restores their long term stewardship role in the management of our public lands and adjacent private lands as well.

In recent years, Congress has taken several actions to address growing wildfire and forest restoration concerns by legislating federal collaborative efforts with states and local communities. Each of these legislative actions, e.g. the National Fire Plan, Stewardship Contracting authorities, the Secure Rural Schools and Community Self-Determination Act, the Healthy Forest Restoration Act, and the Community Forest Restoration Act for New Mexico, have provided model approaches and demonstration projects from which we've learned a great deal.

Among the most important strengths of the Forest Landscape Restoration Act is that it is informed by those prior models and experiences, i.e., the hard lessons learned from past and on-going experiments. It addresses a major need identified through other projects – to direct resources toward collaborative landscape-scale restoration projects. And, it adopts a number of provisions that have been useful in other programs. The Act also provides new strategies to focus federal financial resources on restoration in high-priority landscapes and greater assurance that funding will be available over a ten-year period. This consistent program of restoration work on the land sends the right incentive signals to the private sector encouraging investment to build local business capacity based on the use of restoration by-products.

The benefits to people whose livelihoods are defined by restoring the land creates the kind of synergy that leads to larger-scale and longer-duration restoration initiatives. Innovation emerges in this kind of predictable environment. Success achieved through the Forest Landscape Restoration Act can bring new economic and ecological potential that goes far beyond that which the land needs in the near term. In some places we are already seeing urban communities establishing direct links to local rural wood

products manufacturers (because of the high level of stewardship they practice), establishment of business incubators, association of complementary green business clusters, and scalable biomass-derived energy plants that increase our energy independence. But beyond that, as "ecological services" are becoming a greater value to society as a whole, rural communities are positioned to be paid for producing those critical services – climate change amelioration, improved water quality and quantity, wetlands and riparian corridors, and restoration of species of concern, just to name a few.

We would also like to call attention to the challenge of providing long-term funding for collaborative Forest Landscape Restoration projects. While we are very supportive of H.R. 5263 authorizing significant funding for the Collaborative Forest Landscape Restoration Fund, that level of funding is still subject to the annual appropriations process. If this bill becomes law, the resulting project proposals would be much stronger if there was greater certainty of a long-term funding commitment from Congress and the agencies so that businesses and communities would have greater incentive and less risk in investing in this program.

Opportunities to Strengthen H.R. 5263

As stated above we support the intent and the general provisions of H.R. 5263; we are pleased that this legislation recognizes the need for landscape-level restoration linked with economic and social sustainability. We also appreciate the opportunity to provide constructive input, as follows, regarding how this legislation can be strengthened. These suggestions were also provided as input on S. 2593, the Senate companion bill to H.R. 5263, and we have noted which of the following suggestions were incorporated into the version of S. 2593 that passed out of the Senate Energy and Natural Resources committee.

1. Collaborative requirements need improvement. We agree with the need to clearly define the type of programs that will be eligible under H.R. 5263, and we specifically support the focus on projects that have been developed collaboratively. However, Section 4(c)(2)(C) as currently written, requiring that collaborators proposing a project must have "an established record of successful planning and implementation of ecological restoration projects on covered Federal lands," may be overly restrictive. Does this mean that a collaborative must already be in existence and the "record of success" must be that of the collaborative? What about entities that come together to make an application under this legislation that individually have had significant collaborative restoration success but have never worked together in the exact collaborative that has come together to propose a project?

While we understand the importance of collaborative partners having experience and a track record, we also believe it is important for this program to encourage new collaborative efforts. We recommend that the project proponents' collective collaborative experience be included as a weighted criterion in the selection process. We do not believe that it should be an eligibility criterion.

We made this same suggestion to the Senate Energy and Natural Resources Committee concerning S. 2593 as it was originally introduced. The version of S. 2593 that passed out of committee addressed this concern by modifying the earlier version, Sec. 4(c)(2)(C), so that it is no longer an eligibility criterion but rather a factor to be described and considered in the new version Sec. 4(B)(6)(B). We recommend that H.R. 5263, Section 4(c)(2)(C), be modified in the same manner.

2. **Ensure the program is an open and competitive process.** We support H.R. 5263's focus on landscape-scale and a 10-year horizon for planning, implementation, and monitoring. However, we believe the bill would be strengthened considerably if the following components were added: (a) the process that leads to a BLM State Director or Regional Forester nominating proposals for selection by

We made these same suggestions to the Senate Energy and Natural Resources Committee concerning S. 2593 as it was originally introduced. The version of S. 2593 that passed out of committee did not fully address these suggestions. We feel that it is essential for the project nomination process to be open and competitive at the regional level. Without doing so, proposed projects may get formulated and submitted to the Secretaries that (1) don't have input from stakeholders, (2) don't fully reflect how H.R. 5263 can best use and develop rural economic and community capacity, and (3) may represent agency interests, but not necessarily community interests. If the purposes of H.R. 5263 — which include encouraging collaborative restoration, leveraging local resources, and demonstrating the use of forest restoration by-products to benefit rural communities — are to fully be met, then the selection of regional projects to be proposed to the Secretaries should be done through a competitive, multi-stakeholder process.

3. **Proposal eligibility criteria and evaluation criteria need to be linked.** To accomplish the landscape-scale objectives of H.R. 5263, we believe that the criteria delineated as part of the selection process must mirror the eligibility criteria. Currently, the selection criteria (Sec. 4(e)(2)) don't clearly match up with the eligibility criteria (Sec. 4(c)), especially criteria (B), (C), (D), (E), (H), and (I) spelled out under Sec. 4(c)(3) that identify multiple ecological and rural economic and social objectives that projects should plan to achieve. These are important criteria for comprehensive restoration projects, and if they are listed as eligibility criteria than they should be included in the selection criteria.

In addition, as H.R. 2593 now reads, Sec. 4(e)(2)(A) and Sec. 4(e)(2)(E) of the selection criteria are very similar; the latter section could be modified to ensure that the selection criteria consider the eligibility criteria of Sec 4(e)(3) above.

We made these same suggestions to the Senate Energy and Natural Resources Committee concerning S. 2593 as it was originally introduced. The version of S. 2593 that passed out of committee addressed the concerns stated above by defining "Strategy" under Sec. 3 (Definitions) and Sec. 4(b) (Eligibility Criteria) and then stating that in selecting proposals special consideration would be given to "the strength of the proposal and strategy" (Sec. 4(d)(2)(A)), thus directly tying the eligibility and evaluation criteria. We recommend that the same changes be adopted into H.R. 5263.

4. Improve and streamline the Advisory Panel structures. The current bifurcation of the Scientific and Technical Advisory Panels (Sec. 4(f)), and requiring the Scientific Advisory panel ("The Secretary shall establish....") but not the Technical Advisory Panel ("The Secretary may establish....") doesn't seem to support the integrative nature of H.R. 5263 (encouraging "ecological, economic, and social sustainability" (Sec. 2(1))). Thus, we have three relevant recommendations: (a) combine the two panels into one National Advisory Panel; (b) ensure the composition of the National Advisory Panel includes members with diverse scientific backgrounds, and includes those with expertise in collaboration and community capacity building; and (c) enlist the National Advisory Panel to review progress being made and reported by projects funded through this program.

We made these same suggestions to the Senate Energy and Natural Resources Committee concerning S. 2593 as it was originally introduced were made. The version of S. 2593 that passed out of committee addressed the concerns stated above by merging the two Advisory Panels into one mandatory panel with diverse representation in Sec. 4(e). We recommend that the same change be adopted into H.R. 5263.

5. Clarification of use of funding for monitoring. We support the focus on development of performance measures and outcomes, rather than simply traditional outputs, as well as the strong requirements for multi-party monitoring. We would like there to be greater clarity that funds can be used for effectiveness and implementation monitoring. We think it is critical that funding is available to monitor ecological changes as well as collaborative process-related outcomes. We need to make it possible to collect meaningful information that will inform the American public that environmental conditions are improving and that local businesses are benefiting and hopefully thriving by working to restore public lands.

We made this same suggestion to the Senate Energy and Natural Resources Committee concerning S. 2593 as it was originally introduced. The version of S. 2593 that passed out of committee partially addressed the concerns presented above by stating under Sec. 4(f)(1) that funds in the Collaborative Forest Landscape Restoration Fund can be used for "...monitoring ecological restoration treatments" carried out under the Forest Landscape Restoration Act. We recommend that the same change be adopted into H.R. 5263. In addition, we would like to see this language expanded so that funds can be used to monitor the success of ecological restoration treatments and all parameters related to the multiparty monitoring called for under both the House and Senate versions of this bill.

6. Consider delivery mechanisms for technical assistance to projects. This bill is extremely innovative in many ways. The projects selected will be pioneering new approaches to landscape-scale restoration and the development of value-added enterprises that will support this restoration work. There will be a need for on-going technical assistance related to collaboration, project design, business development, and other dimensions of implementation and monitoring. With the loss of the Economic Action Programs, the Forest Service has no way to deliver this assistance in a coordinated or effective manner. We strongly encourage the exploration of ways to address these technical assistance needs proactively. Delivering such assistance will contribute to determine the success of projects funded through this legislation and will help build a robust program of work around comprehensive restoration across priority landscapes.

We made this same suggestion to the Senate Energy and Natural Resources Committee concerning S. 2593 as it was originally introduced. The version of S. 2593 that passed out of committee did not specifically address this suggestion and we encourage the House Subcommittee to consider opportunities to strengthen technical assistance for such projects.

Chairman Grijalva and members of the Committee, I would like to again thank you for this opportunity to testify on H.R. 5263. This is a strong step toward achieving comprehensive community-based forest landscape restoration, and I look forward to working with you in the future as we continue to find solutions to the ecological and economic challenges facing the rural West.