

**Committee on Natural Resources**  
**Subcommittee on National Parks, Forests and Public Lands**  
**Thursday, May 21, 2001**  
**Longworth House Office Building – Room 1324**

**“The Future of the Forest Economy”**

Good Morning Mr. Chairman and committee members my name is Frank Stewart and I am the County Forester for Lassen, Plumas, Shasta, Sierra and Tehama counties in northeastern California and represent their interests in the Quincy Library Group Pilot Project. I appreciate the opportunity to come before this committee to provide you information about the Pilot Project and the fire protection and economic benefits that it can provide to the citizens, businesses and local governments when implemented at the appropriate PACE and SCALE.

The Herger-Feinstein Quincy Library Group Forest Recovery Act passed through the House of Representatives with an historic vote of 429:1 after a three hour open floor debate, then passed through the senate on a unanimous vote and was signed into law by President Clinton. When one reads the house floor debate record it is apparent that the QLG Pilot Project was intended by congress as a test to verify that it could:

- 1) Provide a cohesive and cost effective strategy against the catastrophic fire problem in northeastern California and other western states,
- 2) Provide economic opportunities for citizens and businesses through sustainable forest management activities on the national forests and
- 3) Generate a continuous flow of Forest Reserve Revenues (twenty five percent receipts) for county schools and public works departments - in the head waters of the largest domestic water supply system in the nation.

As this committee addresses ***The Future of the Forest Economy*** it is critically important to take heed of the 1999 GAO Report that: “*The most extensive and serious problem related to the health of national forests in the West is the over-accumulation of vegetation that result in insect and disease outbreaks and catastrophic fires.*”

When you combine the existing over stocked conditions on national forests with the increasing drought and mortality realities associated with climate change the urgent need to fully implement the Pilot Project at the required PACE and SCALE becomes more apparent.

The national forests contain 80-90 million acres of overstocked stands that are far outside the normal range of variability and subject to catastrophic fires and the Forest Service has only reduced hazardous fuels on 17.9 million of those acres since the start of the National Fire Plan. From a community stability stand point, 69% of the acres treated have been through the use of wildland or prescribed fire and only 29% has been through mechanical thinning projects that generate sawlog and biomass materials for local industries and economies.

The QLG Pilot Project and ironically, the National Fire Plan started implementation of hazardous fuel reduction projects in 2000 and since that time the fire problem has gotten WORSE – NOT BETTER as evidenced by the fact that **seven** western states suffered **nine** historic state records for annual acres burned within their state:

- 2000 - New Mexico.
- 2002 - Arizona, Colorado and Oregon
- 2003 – California 1<sup>st</sup> record
- 2004 - Alaska
- 2005 and 2006 – new national records for acres burned
- 2007 - Utah and California 2<sup>nd</sup> record
- 2008 - California 3<sup>rd</sup> record

Hopefully the message is clear – ***The only solution to the forest health crisis in the west is less emphasis on treating the symptoms (fire) and placing more emphasis and funding on treating the disease (over-stocked stands).***

In the last ten years the federal agency “annual” fire suppression costs have grown five fold from \$400 million to \$2 Billion/year and in California, Cal-Fires annual fire suppression costs have also increased from \$400 million to \$1 Billion/year with no end in sight!

Although the federal and state fire suppression costs are in the three \$ Billion range annually, it is the hidden “True Costs of Wildfires” that have recently come to light and further amplified the urgency for the hazardous fuel reduction and forest restoration projects under the Pilot Project. Recent research by the Western Forestry Leadership Coalition found that the associated “True Costs” of wildfires can range from **2 to 30** times more than just the fire suppression costs alone.

The current Santa Barbara fire in California is a good example of the “True Costs of Wildfires” because homes are being destroyed along with high value watersheds, view sheds, wildlife habitat and recreational areas while greenhouse gases are boiling into the atmosphere contributing to the rising problems associated with climate change.

We are nine years into the pilot project and the Forest Service has only accomplished 50% of the acres, 25% of the sawlog volume and 38% of the biomass chip volume for our local forest products and electricity generating infrastructure.

When you evaluate the annual PACE and SALE of implementation we are in the 40-50% range and this is one of the primary reasons for the closure of three sawmills within the eight county area of the pilot project since 2001.

The remaining 2009-2012 Program of Work includes 178,000 acres of hazardous fuel reduction and forest restoration projects that will hopefully generate 701 million bdft of sawlog volume and 1.1 million bdtons of biomass volume for local sawmills and power plants.

The Pilot Project has been continually plagued by an array of **impediments**:

- 2000-2001: “restrictions” in the Pilot Project Environmental Impact Statement (EIS) Record of Decision (ROD) limited projects to “non-suitable owl habitat” (brush fields and Service Contracts).
- 2002-2003: restrictive diameter limits, land base and standards and guidelines of the Sierra Nevada Framework #1.
- 2000-2009: opposition’s strategy of filing frivolous appeals and lawsuits against projects and especially those projects developed under the Sierra Nevada Framework #2.
- 2008-2009: Regional Forester’s “Hold List” of NEPA ready projects.
- As mentioned earlier, the annual PACE and SCALE of implementation has been in the 40-50% range.

Since the start of the pilot project **one** of the impacts of the “impediments” has been the reality that for every acre treated on the ground, **four** acres have burned through wild land fires.

Following are two examples of the accumulated impacts of the “impediments” on the implementation of the pilot project:

The 65,000 acre 2007 Moonlight Fire had four proposed Defensible Fuel Profile Zone’s (DFPZ’s or shaded fuel breaks) that would have been constructed prior to the fire and would have been instrumental in assisting fire fighters and reducing the size and intensity of the fire.

In addition to the 1 Billion bdft of timber burned in the fire (which due to appeals and lawsuits may not be salvaged), 20 of the 25 Spotted-Owl old growth nesting areas within the burn area were completely destroyed.

The other example is the 55,000 acre 2008 Camp Fire that burned through a proposed DFPZ (shaded fuel break) that should have been constructed in 2004 and would have tied into an existing four mile shaded fuel break on adjoining industrial timberlands. This fire was a major disaster to the Concow residents in Butte County because one resident was killed while trying to protect his home and an additional 224 homes were destroyed.

The pilot project covers eight counties and we are fortunate to still have 6 sawmills with hi-tech computerized systems that recover the highest value from each log down to 5 inches in diameter, 5 co-generation power plants and 8 stand alone power plants that convert low value forest biomass and residue into electricity for homes, businesses and communities.

Since 2001, three sawmills within the eight county area of the pilot project have been forced to stop operations affecting 480 employees and their families along with several hundred contract loggers, haulers and road contractors. Although the current financial crisis played a significant role in the closure of the small log mill in Quincy, the real culprit is the inability of the forest service to implement the Pilot Project at the required PACE and SCALE in order to meet the resource needs of the existing infrastructure.

#### How Can Congress Help?

- Expand the PP across the west where appropriate.
- Require the Forest Service to implement the PP at the appropriate PACE and SCALE
- Expand the environmental services of the Forest Service to include and address *carbon sequestration* and *water quality & supply*. In addition to creating additional entrepreneurial and job opportunities for local citizens, these efforts will also expand the "bucket" of Forest Reserve Revenues that are shared with counties of origin.
- The current Santa Barbara fire amplifies the urgency of reaching across the political aisle and working with Senator Feinstein and others to develop an **"emergency process" that allows the immediate implementation of hazardous fuel reduction and forest restoration projects for the protection of communities, wildlife and watersheds that are shown in a County Fire Plan**. The California legislature and Board of Forestry passed such an "emergency process" for private property efforts and hopefully congress will do the same for the national forests.

Thank You