

**STATEMENT OF
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U.S. FOREST SERVICE
UNITED STATES DEPARTMENT OF AGRICULTURE**

**BEFORE THE
UNITED STATES HOUSE OF REPRESENTATIVES
COMMITTEE ON NATURAL RESOURCES
SUBCOMMITTEE ON NATIONAL PARKS, FORESTS, AND PUBLIC LANDS
MAY 21, 2012**

CONCERNING

“FAILED FEDERAL FOREST POLICIES: ENDANGERING JOBS, FORESTS AND SPECIES”

Mr. Chairman and Members of the Subcommittee, thank you for the opportunity to present the views of the U.S. Department of Agriculture regarding Federal Forest Policies related to jobs, forest management and wildlife. I am Kent Connaughton, Regional Forester for the Pacific Northwest Region of the Forest Service.

Today, people understand forests provide a broad range of values and benefits, including recreation, clean air, drinking and irrigation water, and wildlife habitat. We have national forests in 42 states and Puerto Rico which comprise a land area of nearly 193 million acres. Our mission is to sustain the health, diversity, and productivity of the Nation’s forests and grasslands for present and future generations. The Forest Service does this through working with numerous federal, state, and local partners, citizens, and industries.

The Forest Service also recognizes the need for a strong forest products industry to help accomplish forest restoration work and support local economies. A vibrant industry can provide the people and the know-how necessary to undertake mechanical treatments and other restoration activities. The forest industry also lowers the cost of restoration to the taxpayer by providing markets for forest products. The Forest Service is committed to increasing the number of acres being mechanically treated by 20% over the next three years, through our Accelerated Restoration Strategy, which was announced by USDA Secretary Vilsack in February of this year. This strategy increases the pace and scale of restoration and improves both the ecological health of our forests and the economic health of forest-dependent communities. Whether the threat comes from wildfire, bark beetles or a changing climate, it is vital that we step up our efforts to safeguard our country’s natural resources.

For example, through implementation of the Collaborative Forest Landscape Restoration Program (including the use of stewardship contracts), the proponents of projects anticipate creating or maintaining 1,550 jobs nationally. Public lands and local communities both benefit

from robust forest industries. The Forest Service relies on local forest contractors and mills to provide the work force to undertake a variety of restoration activities. One study has shown that for every 1 million dollars spent on activities like stream restoration or road decommissioning, 12 to 28 jobs are generated.

The Accelerated Restoration strategy will allow the Forest Service to increase the number of watersheds restored, while supporting jobs and increasing annual forest product sales to 3 billion board feet of timber. A critical part of this effort is building public support for forest restoration and management activities. To this end, the Forest Service continues to emphasize the importance of collaboration with diverse stakeholders when developing restoration projects on national forest lands. Such collaboration not only results in better projects, but it also reduces the risks of costly litigation.

The Secretary described his vision for America's Forests in a speech given in Seattle in August 2009. He underscored the overriding importance of forest restoration by calling for a "complete commitment to restoration". Additionally, the Secretary highlighted the need for pursuing an "all lands approach to forest restoration" and called for close coordination with other landowners to encourage collaborative solutions through landscape-scale operations. The Collaborative Forest Landscape Restoration (CFLR) Act provides a means to meet this vision. The Forest Service is using \$40 million from 2012 appropriations for 20 CFLR projects.

There are five landscape restoration projects selected in the Pacific Northwest of which one CFLR project and one High Priority Restoration project are located in the State of Washington. The Tapash Sustainable Forest Collaborative and the Northeast Washington Forest Vision 2020 are estimated to provide a minimum of 131 direct jobs and 634 total jobs in FY 2012.

One important tool the Forest Service uses to improve the health of America's forests and create jobs is stewardship contracting. It is a very successful and important program nationally, and particularly, in the Pacific Northwest Region. Through stewardship contracting we have been able to treat low value or dying vegetation caused by insect or disease epidemics, or other low-value hazardous fuels. This tool allows the Forest Service to offset the value of the services received with the value of forest products removed.

Since the authority was originally enacted in 1999, the Pacific Northwest Region has awarded more than 200 stewardship contracts and task orders, treating approximately 106,000 acres. The benefits of the program include implementation of more restoration projects, which reduce fuel loading and address insect infestation. Restoration projects yield significant sawlog and biomass material that supports woods operations jobs and industry infrastructure. An excellent example in Washington is the Colville Mill Creek Stewardship A to Z project, wherein the community and the Forest Service are striving to get more restoration work done through an innovative, broad, forest landscape-level approach.

The Forest Service is constantly improving upon our National Environmental Policy Act (NEPA) process. The Agency has initiated a project to learn and share lessons of successful implementation of streamlined NEPA analyses. The goal of this effort is to ensure the Agency's NEPA compliance is as efficient, cost-effective, and up-to-date as possible. Specifically we are

looking at expanding the use of focused environmental assessments (EAs) and iterative environmental impact statements (EISs), expanding categories of actions which may be excluded from documentation in an environmental assessment or an environmental impact statement, and applying an adaptive management framework to NEPA documentation. Our landscape-scale NEPA analysis will also increase efficiencies by analyzing broad swaths of land, avoiding piecemeal NEPA analysis. The recently released landscape-scale Black Hills Mountain Pine Beetle Response Project proposes to treat 242,000 acres of high risk forest. This is approximately 5 times the normal analysis area.

It is important to remember the Forest Service supplies about 2 percent of total domestic timber production annually. For the Pacific Northwest, national forests supply about 6 percent of annual timber production. Market conditions during the past several years have been a severe departure from the era before 2005. Since 2005, the new home construction market dropped 75 percent, resulting in the closure of 1200 mills nationwide and the loss of a million jobs in the forest products sector. Today, the demand for lumber, plywood, and other building materials are at low levels not seen since the 1960s. The mills that remain open are often working only part-time because builders aren't buying with new housing starts so low. During the current down market, the Forest Service has been concentrating on maintaining infrastructure through relief measures in existing timber sale contracts, such as market-related contract term additions, and rate redeterminations.

Concerning federal forest management related in the Pacific Northwest, in April 1994, the Northwest Forest Plan Record of Decision (ROD) amended the existing land and resource management plans for national forests and BLM Districts within the range of the northern spotted owl (NSO). The "Northwest Forest Plan," as these amendments were called was developed and implemented in part to protect and enhance conditions favorable to late-successional and old-growth related species, such as the NSO, and to respond to controversy, litigation, and court injunctions over management of federal forest lands in Washington, Oregon, and northern California. The ROD included 24 million acres of federal lands including all or parts of 17 National Forests. The ROD changed the course of federal land management in the Pacific Northwest to significantly increase protection for species that depend on late-successional and old growth forests, while providing for a reduced yet stable supply of timber. Over the past 18 years many, but not all, of the stated objectives of the Northwest Forest Plan have been met. For example, the aquatic conservation strategy has eliminated many of the practices which led to degraded watersheds and threatened fish populations. The plan has withstood legal challenges and although the planned timber supply is not as high as envisioned, it has stabilized.

The NSO was listed as threatened under the Endangered Species Act in 1990. Overall, demographic studies indicate NSO populations have been declining approximately 2.9 percent annually, leading to an estimated 40% decline in population numbers over the last 25 years. Forest Service Research and Development (R&D) has been a key leader in long-term research and monitoring of the NSO. This research aims to improve our understanding of the effects of land management under the Northwest Forest Plan on NSO populations, as well as the effects from invading barred owls, climate and other environmental factors. At its implementation, the

Plan anticipated spotted owl populations would continue to decline for a few decades, until habitat is restored in the network of large reserves established under the Plan.

To date, monitoring shows a continued range-wide decline. However, some areas show stable populations, while others, like the northern portion of the range, have shown larger declines than anticipated. Monitoring and research have revealed wildfire appears to be the biggest factor in habitat loss for spotted owls on federally managed lands since the Plan's inception. Factors other than habitat loss are adversely affecting spotted owls. Competition from barred owls is a major threat. Forest Service research on competition between these species has revealed spotted owls avoid areas occupied by barred owls and have much lower reproductive rates than barred owls. This research will inform future management for spotted owls. Other Forest Service research focuses on modeling owl populations and habitats in relation to fire, climate change, and prey populations.

Although the specific reasons for the NSO decline are not yet fully understood, habitat loss and increasing competition from barred owls appear to be key factors. In 2011, the U.S. Fish and Wildlife Service (FWS) completed a revision of the 2008 Recovery Plan for the NSO and initiated the process to re-designate critical habitat based on the new recovery plan. The recovery plan emphasizes active restoration of habitat to meet recovery goals and ecosystem conservation, both in dry forests and moist forests. . The recovery plan recognizes that in dry (fire adapted) forest ecosystems; there may be short-term adverse effects to individual owls with long-term benefits to their habitat. The Plan also addresses experimental removal of barred owls from certain parts of the NSO range to see if this removal affects NSO population trends.

In March 2012, the FWS proposal for critical habitat was released for public review and comment. The Forest Service supports the FWS proposal and believes the proposed revision of critical habitat reflects the intent of the 2011 recovery plan. We worked with the FWS to develop specific rule language, which continues protection for important old growth forests while recommending active forest management designed to restore and protect ecological processes; improve habitat conditions; and increase the resilience of the forests to fire and insect infestations.

The Forest Service will continue to work with the FWS to assure the final designation provides for recovery of the owl and allows for appropriate timber management, which restores forest health, increases resilience, and meets the economic needs of our communities.

In summary, the Forest Service continues to work toward accomplishing restoration objectives, maintaining a robust forest industry, and in turn creating jobs. We are striving to efficiently implement existing programs and policies, as well as pursuing a number of new policies and initiatives to increase the pace of forest restoration through collaboration and management of the national forests. The aim of these efforts is to move beyond the conflicts which have characterized forest policy in the past and toward a shared vision, which allows local communities, environmentalists, the forest industry, and other stakeholders to work collaboratively toward healthier forests and watersheds, safer communities and more vibrant local economies.

I want to thank the committee for its interest, leadership, and commitment to our national forests, their surrounding communities and the forest products infrastructure.

This concludes my prepared statement and I would be pleased to answer any questions you may have.