

Caroline McRae Dauzat  
Family Business Owner  
Rex Lumber

Oral testimony on *Secure Rural Schools Reauthorization and Forest Management Options for a Viable County Payments Program* before the House of Representatives Subcommittee on National Parks, Forests, and Public Lands,  
July 14, 2011

Good morning, Mr. Chairman, and Members of the Committee thank you for inviting me to appear before you today.

My name is Caroline McRae Dauzat. I am a fourth generation sawmill owner with three sawmills in the following locations: Brookhaven, Mississippi, Bristol and Graceville, Florida. In addition to the sawmills we also own a pole and piling plant in Bristol, as well as a timber procurement company that supplies timber to our operations. I have submitted my full statement to the committee, which I ask be made part of the hearing record.

My qualifications include working with my father and brother over the last ten years in all capacities of our family forest products businesses. After receiving my Master's degree in Business Administration from Loyola University, I began my sawmill career the summer of 1998 in and around the woods of Bristol. My current role with our organization includes all aspects of financial, risk and human resources management.

My father established Rex Lumber, Bristol, or North Florida Lumber, as it was known then, in 1980. He chose Bristol as the mill location primarily because of the close proximity to the vast timber resources of the Apalachicola National Forest. According to my father, at the time of locating the mill, the Forest Service verbally promised a sustained yield of timber from the forest in order to support our mill and the local community. The promise made at that time has long been disregarded.

The purpose of my testimony is to offer a view of the management of the National Forest in our area and offer our plant as an existing end user. Rex Lumber is one of many diverse forest products industries within the timbershed of the Apalachicola. Products manufactured include lumber, plywood, oriented strand board, pulp and paper, wood pellets and a biomass-fired electrical power plant located 1 mile from the forest boundary. Such a diverse infrastructure offers an unusually solid base for management of our local National Forest

Unfortunately, management of the National Forest has been hampered by a number of factors and often neglects a healthy timber market in pursuit of other purposes, frequently related to environmental concerns. Ironically, in an effort to meet those environmental concerns, the health of the forest is put in serious

jeopardy. As my first handout of Deep Creek clearly shows, proper timber management is essential to environmental integrity.

Currently, the Apalachicola National Forest is only cutting 6.8% of its annual growth. In the 1980's, when the forest was productively managed, our mill could count on up to 80% of its raw material coming from the Apalachicola. Today our Bristol mill receives less than 1% of total logs from the forest, though it sits at our absolute doorstep.

Our southern forests are young, healthy and productive, but if poor management continues, our forests will face the same problems the western forests have been dealing with in the last decade: beetles and fires. In our region it is the southern pine beetle that will be destroying our timber and twenty eleven's fire season should be enough evidence that management practices need to improve.

An extreme example of where poor forest management leads is the Dixie National Forest in Utah. As shown in the second handout on approximately 600,000 acres of timberland, mortality has exceeded growth – 105% of the total annual growth was lost to fire, insects and disease. Our forests are too valuable a resource to continue on this path, although with 30% mortality on growth, the Apalachicola is on its way.

Solutions exist for these problems. In order for the Forest Service to do what it is required by the Multiple Use, Sustained Yield Act of 1960, it will have to reorder its priorities and shift funds to more productive activities. Streamlining environmental documentation and outsourcing fieldwork would get foresters out of the office and into the field. Including Resource Advisory Committees as full participants in every annual planning and project selection process, would contribute to a more balanced community-oriented forest work program. Of key importance, NEPA/ESA needs to be amended to increase appellant and litigant accountability. Lastly, Congress should consider requiring selected National Forests to test the feasibility of timber program self-financing, as is now done on DOD land. Please see my written testimony for further detail.

In summary, I believe the best solution for funding the rural schools is the utilization of the assets already available – timber, with a market ready to go - rather than letting those assets deteriorate and die. As we work together so that such a program can be adopted and implemented, we appreciate your work to reauthorize the safety net of the Secure Rural Schools and Community Self-Determination Act.

Finally, Mr. Chairman and committee members, I want to thank you again for allowing me to appear here today. I am here as a prospective partner with the Forest Service in forest management: hopefully a part of the solution to the problem facing our National Forests. I would be most happy to work with any of you and your staff to find a solution to the long-term health of our National Forests and

adequate funding for our rural schools. I stand ready for any questions you may have.