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Testimony on “The Impact of the Mountain Pine Beetle Epidemic in the Black Hills”
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Introduction

Thank you Chairman Bishop and Representative Noem for the opportunity to testify today.

My name is Jim Neiman, and I am the Vice President and CEO of Neiman Enterprises, Inc. in Hulett, Wyoming. Our family has been in the ranching business for 5 generations and in the forest products business for 3 generations. We currently own and operate three sawmills and one pellet mill in the Black Hills of South Dakota and Wyoming. Our company directly supports about 750 families through our 490 employees and 250 local independent contractors, and those families live in communities throughout the Black Hills. We produce lumber for wholesale and retail markets throughout the United States, plus high quality lumber for window and door companies. We also sell sawmill by-products, such as bark, sawdust, shavings, and chips for decorative bark, particleboard, pulp and paper, animal bedding, and wood pellets.

I am currently the President of the Board of Trustees for the University of Wyoming. I also serve on the Boards of the Hulett National Bank, the Hulett Airport, the Black Hills Forest Resource Association, the Intermountain Forest Association, and I am a member of the Federal Timber Purchasers Committee. I have also served in the past on the Wyoming Occupational Health and Safety Commission, and the Wyoming Economic Development and Stabilization Board.

Background

Thank you for your attention to the effects of the pine beetle epidemic in the Black Hills. I believe today’s hearing comes down to one simple question - when you look at the Black Hills National Forest, and see dead trees on almost half of the entire Forest, does that represent the federal government’s vision for management of the national forests? If that’s the intent of the Congress, the Administration, and the Forest Service, then we really have a problem. If that’s not the intent of the Congress, the Administration, and the Forest Service, then what are you going to do about it, and what can the residents of the Black Hills do to help?

If Teddy Roosevelt and Gifford Pinchot were alive today, they would be appalled at the forest conditions in the Black Hills. Consider the following statement from Theodore Roosevelt to the Society of American Foresters in 1903:

"And now, first and foremost, you can never afford to forget for one moment what is the object of our forest policy. That is not to preserve the forests because

they are beautiful, though that is good in itself, nor because they are refuges for the wild creatures of the wilderness, though that, too, is good in itself, but the primary object of our forest policy, as the land policy of the United States, is the making of prosperous homes . . . Every other consideration comes as secondary."

"You yourselves have got to keep this practical object before your minds; to remember that a forest which contributes nothing to the wealth, progress, or safety of the country is of no interest to the Government, and should be of little interest to the forester. Your attention must be directed to the preservation of forests, not as an end in itself, but as a means of preserving and increasing the prosperity of the nation" (Evergreen Magazine, Winter 1994-1995 Edition).

The expectation was clear. National forests were created to contribute to the financial prosperity of this nation and to be used so that the most citizens possible benefited from the harvests and regeneration of these forests. Nobody benefits from dead forests. The overwhelming majority of people who live in the Black Hills do not want to see dead forests, and they do not want to see the will of the majority thwarted by a handful of zero-cut extremists who will never support any management of the national forests.

The underlying reason for all the mountain pine beetle mortality is we have too many trees. The single most significant reason for the mountain pine beetle epidemic is the density of the forest. Reducing the risk of mountain pine beetle outbreaks in ponderosa pine forests isn't "rocket science". Dr. John Schmid, arguably the world's foremost expert on mountain pine beetle has maintained a series of research plots in the Black Hills for years. From his research, we know that the duration and intensity of mountain pine beetle infestations are primarily a function of the number and size of trees. The higher the density of trees, the higher the risk of mountain pine beetles. Conversely, thinned stands have a significantly lower risk of mountain pine beetles. While mountain pine beetle mortality won't be eliminated, mortality can be limited to a relatively low level, for example single trees or pairs of trees (Schmid, 2007).

This isn't just a Black Hills issue. Since 1997, bark beetles have killed or damaged 41.7 million acres of forests in the western United States (USDA-FS, 2011). National forests in Wyoming, Colorado, Utah, Montana, and Idaho have experienced similar, or worse, catastrophic insect epidemics. These catastrophes have caused great harm to forests, communities, private landowners, residents, and family-owned small businesses. However, we have some advantages in the Black Hills. First, we have a viable and robust forest products industry to do the needed work in the woods, to manufacture products, and to reduce treatment costs. Second, our primary species is ponderosa pine, and thinning ponderosa pine stands is much more effective than thinning spruce or lodgepole pine stands.

The annual growth on the Black Hills National Forest, and virtually every other national forest, is significantly higher than the annual harvest (see Figure 1). I've also included a graph that shows the increase in standing volume on the Black Hills National Forest since 1897 (see Figure 2). If we're cutting less than annual growth, by definition, our

overstocked forests are becoming more overstocked every year. Consequently, the overstocking and mountain pine beetle risk are compounded each year by new growth, ultimately leading to even higher risks of mountain pine beetles, and fires.

The Forest Reserves were created in the late 1800s in response to public outcry about the destruction of forests, and the reduction of timberlands to barren wastes subject to flood and fire. Today, there's also a public outcry about the destruction of our forests and the risk of fires and floods, only now the problem is the failure of federal forest policies.

The Black Hills National Forest has been a leader in national forest policy since 1899, when Case No. 1, the very first timber sale from the national forests, was sold to Homestake Mining Company right here in the Black Hills NF. The Black Hills National Forest was the first national forest to develop a forest plan in the mid-1980s, and the first national forest to revise a forest plan in the early 1990s.

For most of the 20th century, the management of the Black Hills NF was generally very successful. However, the last 15 to 20 years have been extraordinarily challenging. The 1997 forest plan revision reduced the Allowable Sale Quantity from 128 mmbf to 83.8 mmbf. Then in 1999, Forest Service Chief Dombeck remanded the 1997 revised forest plan, a traumatic event that led to no new timber sales for most of FYs 2000 and 2001, and subsequently required two forest plan amendments and five years to fix the problems identified in the Chief's appeal decision. All told, the Black Hills NF spent nearly 16 years completing a 10 to 15-year forest plan. Worst of all, after all that planning, the Forest Service has not come close to achieving the Black Hills NF forest plan timber sale outputs, with detrimental effects to both the Forest and local forest products companies.

Historically, the Forest Service has demonstrated the ability to respond aggressively to mountain pine beetle outbreaks. In the early 1990s, the Forest Service moved quickly and aggressively in response to an outbreak near Bear Mountain, and sold two timber sales to salvage bug-infested trees, before the infestation had a chance to grow. In contrast, one of the projects that the Black Hills NF is currently analyzing is the Vestal project, which they have given a high priority due to its proximity to Custer and the high occurrence of mountain pine beetles. The Forest Service started the analysis in May, using HFRA authorities, but they don't expect to finish the analysis and make a decision until May 2012. They hope to start selling timber sales in the late summer of 2012. That means two flights of beetles before there are chainsaws and skidders in the woods.

The Forest Service did much better following Hurricane Katrina. The hurricane hit Mississippi on August 29, 2005. By December 5, 2005, the Forest Service had completed their analysis and signed a Decision Notice. On December 6, 2005, they sold the first salvage sale, ultimately selling 58 timber sales and salvaging nearly 300 million board feet of downed timber. The South Dakota delegation and the Black Hills National Forest Advisory Board are both continuing to push for streamlined approaches to NEPA, and I applaud their work.

Even the best forest plan has little real value if the necessary resources are not available for plan implementation. Proactive management is much more cost effective than responding to a mountain pine beetle epidemic or a forest fire. Compared to the costs of fire suppression, rehabilitation and restoration, preventative management is a bargain. But, adequate funding is a perennial issue. For FY 2011, which ends in less than three months, the Black Hills NF has still not received their final budget. Even worse, the Black Hills NF still has not received the full funding they requested to respond to the mountain pine beetle epidemic.

Proactive thinning works in the Black Hills. Proactive thinning reduces the potential for mountain pine beetles and fires, puts people to work, saves money for the federal government, and forest products companies can produce American wood products for American consumers. The Black Hills NF and the Rocky Mountain Region have requested additional funds, and they've had great support from the Congressional delegations from South Dakota, Wyoming and Colorado.

I am very concerned about our nation's financial problems, and I agree we need to shrink the cost and size of the federal government. However, I urge Congress to take a hard look at all the process requirements enacted by the Congress, and to look for ways to help the Forest Service be more cost effective and get more done with less money. If there's not enough money for the current processes, then let's change the requirements, and then hold the Forest Service accountable for on-the-ground implementation. The Forest Service needs better tools and better implementation of their existing tools.

I would also like to briefly discuss three related issues, those being the proposed forest planning regulations, the definition of "renewable biomass", and payments to counties.

I'm very concerned about the Forest Service's proposed Forest Planning Rule, and especially concerned that the proposed rule will cost more money, take longer to complete, require more time from Forest Service staff, provide new opportunities for obstructionists to litigate forest planning, and generally divert resources away from on-the-ground forest management. I want to thank both of you for signing the May 31, 2011 Congressional letter to Secretary Vilsack regarding the proposed Planning Rule, and ask for your continued assistance. Again, the Black Hills NF took 16 years to finish a 10 to 15 year forest plan revision, so we have a lot of experience with what can go wrong with forest planning.

I also encourage Congress to pass legislation that will include woody biomass from the national forests in the definition of "renewable biomass". That would allow increased energy production, reduced reliance on foreign energy sources, better utilization of dead trees and slash piles, improved air quality, and additional jobs. In particular, I want to thank Representative Noem for recently introducing H.R. 1920, which would include biomass from the national forests as part of the Renewable Fuels Standard.

Finally, the 25% payments from national forest revenues to local counties for schools and county roads are very important. I support reauthorization of the Secure Rural Schools

and Community Self Determination Act to fulfill the federal government's obligation to counties and rural communities. However, what we really need is development of a more robust forest management system, to ensure that counties where the national forests are located will have adequately funded schools for educating our children and county roads are maintained to support commerce, recreation and the daily needs of our communities.

Conclusion

In conclusion, I don't want to see the Black Hills look like the millions of acres of beetle killed forests in Colorado, and I don't want to see the Black Hills look like the millions of acres of burned forests in Arizona. We have good science on our side. What we need is for the federal government to embrace a vision of efficient, proactive management and healthy forests, and a commitment for the resources that the Forest Service needs to get the job done on-the-ground.

I am disappointed by distractions like America's Great Outdoors, using the Land and Water Conservation Fund to purchase more federal lands, the Forest Service's "all lands approach", and collaboration. I wish there was a lot more discussion about our overstocked national forests, the millions of acres at risk of catastrophic fires, a national bark beetle strategy, how to maintain industry infrastructure, how to create jobs in the woods, and how to honor Forest Service promises to communities.

In closing, I want to thank you for the privilege of testifying here today. Management of the national forests is complex and often contentious, and requires capable leadership. My company is committed to sustainable forest management, jobs, families and communities. If the Forest Service's plans for the future of the Black Hills National Forest are to be successful, then the people most affected by the plans – those who live and depend on the natural resources of the Black Hills for recreation or livelihood – must have as much a voice in the formulation of policy as they have a stake in the outcome.

Again, I am honored that you asked me to testify today, and I would be delighted to work with you and your staffs in finding solutions to the issues discussed here today.

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Figure 1.

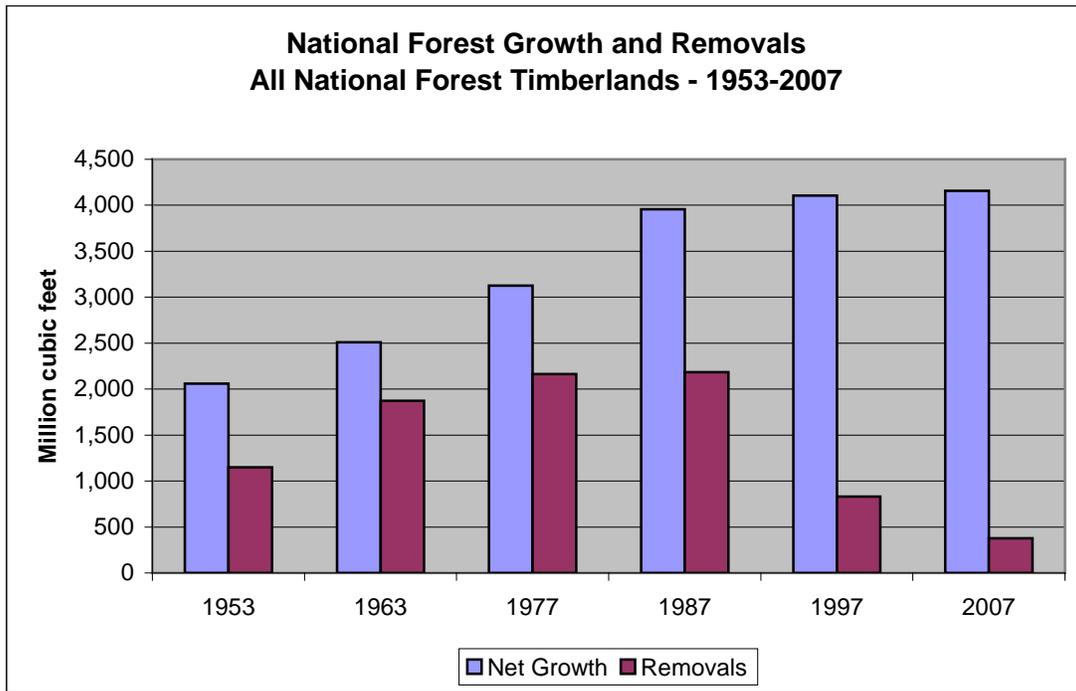


Figure 2.

