

Prepared Statement for the Record
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Before The:
United States House of Representatives
Committee on Resources
Subcommittee on Forests and Forest Health

Regarding H.R. 5025 The Mt. Hood Stewardship Legacy Act

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Introduction

My name is Frank Backus, I am Chief Forester of SDS Lumber Company, a family-owned forest products company in Bingen, Washington, located in the Columbia River Gorge and in the shadow of Mount Hood. Our integrated operations include both forestlands and manufacturing facilities for lumber, veneer, plywood, pulp chips and biomass energy. SDS Lumber Company is the largest employer in the area with 316 employees-- 69 of these employees are residents of Hood River County, Oregon where much of the proposed wilderness is located.

Thank you for this opportunity to offer the following comments on the Mt. Hood Stewardship Legacy Act (H.R. 5025). I am here not only on behalf of my company but also the American Forest Resource Council (AFRC) of which I am currently the Chairman of the Board of Directors. AFRC represents nearly 90 forest product businesses and forest landowners in twelve western states. AFRC's mission is to create a favorable operating environment for the forest products industry, ensure a reliable timber supply from public and private lands, and promote sustainable management of forests by improving federal laws, regulations, policies and decisions that determine or influence the management of all lands.

SDS and AFRC commend Congressmen Greg Walden and Earl [Blumenauer](#) for the process they undertook to review the needs of the Mt. Hood National Forest. AFRC was an active participant in this process and while the legislation primarily evaluates additions to the wilderness system, it also takes an important look at forest health and management needs for the Mt. Hood National Forest in addition to reviewing transportation, recreational, tribal and watershed needs. We look forward to working with Congress during its consideration of this bill, and the on-the-ground implementation should the legislation become law. Furthermore, Walden and Blumenauer should be congratulated for taking the time to view conditions on the ground before drawing arbitrary management lines on a map.

Forest Products and Wood Supply

SDS Lumber Company owns approximately 60,000 acres of forestland in the Columbia River Gorge. Our lands are managed under a sustainable yield philosophy and they provide approximately 25% of the annual wood fiber needed for our manufacturing operations. The remaining 75% has historically come from the Gifford Pinchot and Mount Hood National Forests. Currently we receive less than 1% of our annual fiber needs from these federal lands due to the absence of any meaningful timber sales program on either of these forests. Instead, we rely on private timberland, Hood River County and State of Washington timber sales programs for our fiber supply.

Consistent fiber supply continues to be a very important issue for the forest products industry of the Pacific Northwest. As recent as 10 years ago, the Mt. Hood National Forest was an important supply for at least eight manufacturers. Today, the number of mills operating in this same area is reduced to four, but the importance of a stable timber supply from the Mt. Hood National Forest has not diminished.

The Mt. Hood National Forest consists of 1.1 million acres of some of the most prolific forest growing conditions in the world. The 2002 Monitoring Report of the Mount Hood National Forest reports annual forest growth to exceed annual harvest by a factor of 13 to 1 and annual forest mortality to exceed annual harvest by a factor of 8 to 1. Under the Northwest Forest Plan crafted by the Clinton Administration, the Mount Hood National Forest is programmed to harvest and sell approximately 60 million board feet of wood fiber per year but only a fraction of this has actually occurred per year since 1994. This harvest

is limited to about 183,000 acres, or 16% of the total land base, designated "Matrix" land where timber harvest is permissible.

With so little land in the Matrix designation, we cannot afford to reclassify any of these lands to other land use allocations. AFRC supports the language in H.R. 5025 that maintains all existing Matrix lands or lands available for harvest consideration in their present classification. Nonetheless, we do have serious concerns that the proposal to prohibit commercial timber activities within the Cooper Spur area of the Cristal Springs Management Area represents a de facto removal of matrix land. We believe this prohibition should be modified, or an equal number of acres should be made available elsewhere for commercial timber activities.

Forest Health

Approximately 17,000 acres of SDS Lumber Company's forestlands are located in Hood River and Wasco Counties, some in close proximity to the federal lands. As previously stated, we manage our timberlands under a sustainable yield philosophy. As a direct result of our active management, SDS forestlands carry a greater volume per acre of standing timber today than has existed over the past 60 years. Our forest management includes reforestation, even aged and selective harvesting, road management, prescribed burning, insect control and fire hazard reduction.

As a testament to the effectiveness of our active forest management, the largest wildfire to ever occur on SDS Lumber Company lands in our 58 year history was the lightning caused 2002 Sheldon Ridge fire near Mosier, Oregon. This fire burned a total of 11,000 acres but only roughly 300 acres of SDS forests burned due to aggressive fire suppression efforts and the healthy condition of our forests. All of our burned timber was salvaged and processed into consumer products within the 12 months following the fire, contributing approximately \$3 million in value to our economy in lumber, plywood, paper products and energy. Within 18 months this area was also regenerated and now supports a new green healthy forest.

In stark contrast, a lack of forest management on the part of the Forest Service has allowed many parts of our national forests in the west, particularly those in eastern Oregon and Washington, to become overstocked, unhealthy, ravaged by disease and insects and at high risk of catastrophic wildfire. In the past five years, nearly 26 million acres of Federal lands have burned throughout the western United States, costing taxpayers nearly 5.8 billion dollars in fire suppression costs. As you consider the addition of more wilderness to the Mt. Hood area, I believe that you should be aware of the fact that in Oregon alone, we have lost all or parts of many of the wilderness areas already set aside to catastrophic fire events. These areas include the Mill Creek Canyons, Strawberry Mountain, Monument Rock, Glacier Rock, North Fork John Day, Mt. Jefferson and Kalmiopsis-Rogue-Siskiyou Wildernesses, to name a few.

Title V of H.R. 5025 provides a mechanism to address the risks facing Mt. Hood. By focusing thinning activities on those areas currently experiencing severe problems and those at moderate to high risk, the agency can prioritize its limited resources. We are unfortunately seeing an increased trend where areas at risk of insects, disease, and unnatural catastrophic wildfire are undergoing environmental analyses that take so long that the areas burn before anything is done. The School Fire (2005) in the upper Tucannon River drainage on the Pomeroy Ranger District of the Umatilla National Forest is an excellent example of this.

The bill directs the Secretary of Agriculture to develop a forest stewardship plan within one year of enactment. It also states that the Secretary shall use all existing authorities to implement the plan over the course of ten years. We support this important direction and believe that existing authorities such as the Healthy Forests Initiative and Healthy Forests Restoration Act should be better utilized on Mt. Hood.

We commend you for understanding the urgent need to accomplish forest restoration, and we encourage you to insist that the forest stewardship plan be completed within one year. Further, there needs to be a dependable funding mechanism to implement the needed forest treatments over the course of ten years. Some assurance in the bill for this funding is needed and would be welcome as many of the forests currently lack the resources to carry out needed hazardous fuels reduction activities.

School Funding

Another fact that we must not lose sight of is that the State of Oregon has been receiving over \$200 million annually under the Secure Rural Schools and Self Determination Act (County Payments Bill). These dollars are going to counties that once had robust federal timber programs. With scaled back timber harvests, the County Payments Bill was authorized to make up the timber dollar shortfall back to the counties. This expires in 2006 and could possibly be extended for another short period of time; however for the long-term the national forests need to again become productive so the dollars flowing back to the counties are coming from receipts generated by on-the-ground management, instead of uncertain programs that might end in the near future. There are five counties that have the Mt. Hood National Forest within their boundaries, which are

Clackamas, Marion, Multnomah, Hood River and Wasco. Total receipts on a yearly basis from the County Payments Bill for those counties total over \$17.5 million.

With this in mind we must carefully look at each and every acre removed from multiple-use and put into wilderness or non-management status, as those designations will have impacts to the counties. For example, we suggest that the lands that the Forest Service receives in trade from Mt. Hood Meadows ski resort located in the Cooper's Spur area be classified as Matrix, similar to the existing Forest Service lands that are in the unit. Furthermore the main emphasis for these lands should include commercial forest management activities consistent with the intent to manage for water quality and scenic values.

Crystal Springs Watershed

A look at this watershed shows that it is actually fed by subterranean water sources and there are existing houses, a restaurant, a ski area, highways and other developments that have more impacts than forest management would create to water quality and quantity. We request that the "No Management in the Crystal Springs Watershed" portion of the bill be modified to allow for management that is consistent with efforts to protect water quality and quantity, or an equal number of acres should be designated for multiple use management. . Also the zone of contribution as shown on the proposed map extends down slope from the Forest Service boundary and encompasses private land, which is totally unacceptable.

Proposed Wilderness Designations

SDS and AFRC believe there is too much land designated as Wilderness in the bill. AFRC submitted testimony in 2005 outlining their belief that only 22,840 acres should be reclassified as wilderness on Mt. Hood since those are the only acres meeting wilderness criteria. Specifically, one area we suggest removing from proposed Wilderness is the narrow portion that is being added from the Columbia River Gorge Scenic Area. We don't think this should be wilderness because of the potential of fire from the Interstate Highway and railroad system. These fire sources coupled with the severe fire conditions that can occur in the Gorge, and the fact that there are communities and residences in the area are compelling reasons to keep this area out of wilderness status. This area is already covered under the Columbia River Gorge National Scenic Area Act, however, we feel the area should remain available for hazardous fuels reduction activities, and for using mechanized equipment should (or when) a fire gets started in this area.

Summary

In summary there are some key points that I would like to have on the record. AFRC supports additional wilderness areas and new wild & scenic river designations on the Mt. Hood National Forest if there is a "no-net-loss" of federal lands allocated to multiple-use management; specifically timber production, including management in the Crystal Springs watershed. Should any Matrix lands be taken out of forest management, an equal acreage should be taken from LSR or other land classification and put into Matrix. Furthermore, any new wilderness or wild and scenic river designations must not affect the ability of local communities to prepare a community-based wildfire protection plan. There are many amenities and uses found on the Mt. Hood National Forest that drive all of us to help chart the future. I believe the first priority is to insure that future includes a green forest, and not one devastated by wildfire. I would like to commend the Chairman and Congressman Blumenauer for their efforts to craft a solid proposal with this important reality in mind.

Thank you for the opportunity to testify before this Committee today, and I would be happy to answer any questions you may have.