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**Statement of R. Max Peterson
National Association of Forest Service Retirees
Before the
Subcommittee on Forests and Forest Health
Committee on Resources
U.S. House of Representatives
October 7, 2005**

**Restoration after Recent Hurricanes and other Natural disasters:
Federal Role in Recovery after Catastrophic Events Affecting Forest
Lands**

R. Max Peterson
National Association of Forest Service Retirees

Mr. Chairman and Members of the Committee:

It is a pleasure to appear before this Committee this morning representing the National Association of Forest Service Retirees (NAFSR). The NAFSR is an organization of people who spent their careers involved in the management of National Forests and other Forest Service activities. We remain committed to supporting the statutory multiple-use mission of the Agency.

For the last month, the American people have watched with horror as endless pictures of the devastation of two successive hurricanes have flashed across our television screens. In news dominated by stories of human suffering and damage to property, the damage to the forest resources of the Gulf Coast states has largely been overlooked. Estimates by the Forest Service, working with the State Foresters, place potential timber losses at as much as 19 billion board feet from Hurricane Katrina alone. The damaged timber, scattered over some 5 million acres is valued at about \$5 billion. About 60 percent of the damaged trees are softwoods – the principal building material used for homes.

There is, also, major damage to timber stands in Texas and Louisiana from Hurricane Rita. We do not yet have complete estimates of the extent, but it is clear that damage to forest stands is extensive. The Texas Forest Service estimates damage to sawtimber in that state at about 2 billion board feet.

Prompt salvage of the damaged timber is urgent for two reasons. It can provide large quantities of lumber and other wood products that will be needed to rebuild the cities and towns of the Gulf Coast and prompt salvage will substantially reduce fire danger as well as assist in restoration of a productive forest for its multiple benefits including wildlife and recreation. But the window of opportunity for salvage of useable material is small. The warm, moist climate of the affected area provides the environment for rapid invasion of the damaged trees by insects and disease. High value trees that are suitable for manufacturing a wide range of forest products quickly lose their value. In just the month since the storm, the utility to produce some products has been lost. Within 6 to 9 months, their utility for manufacture into construction lumber will be lost. It is essential that the material be moved to manufacturing facilities or placed in watered storage as soon as possible.

I would like to call you attention to the map at the end of my statement. The map shows the area damaged by Katrina. The importance of the forest products industry to the economy of the rural areas of these states is well demonstrated by the number of primary wood processing plants shown on the map.

You will note that a major portion of the DeSoto National Forest is within the area of most severe damage just north of Biloxi. The Forest Service estimates that over 150,000 acres suffered severe damage with up to 40 percent of the trees on this area down or damaged. Significant damage occurred throughout the remainder of the Forest. The volume of damaged trees is 300-400 million board feet. It warrants noting that because of the longer rotations on National Forest lands, the timber on the Forest is among the most valuable for use in housing restoration in the affected area. Prompt salvage is essential if

significant amounts of the damaged timber are to be recovered. Prompt salvage means removal by next April.

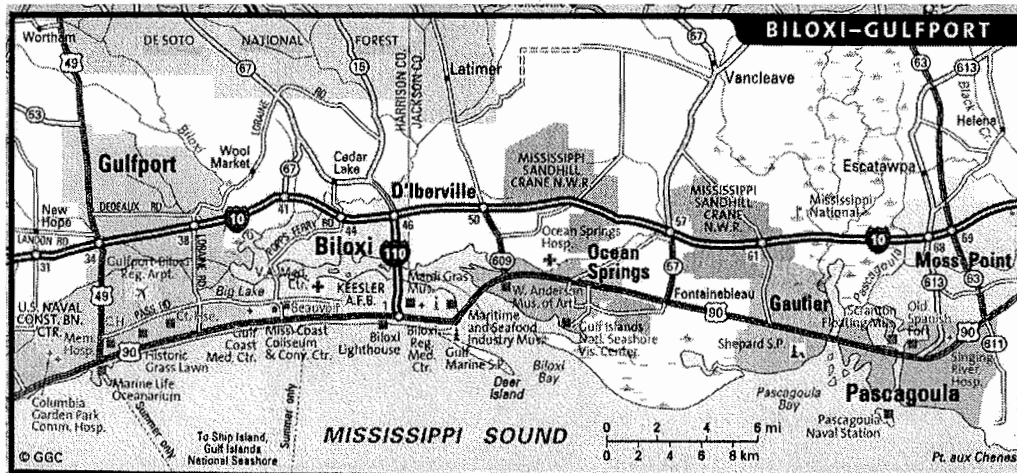
In addition to the desirability of preventing the waste of this valuable resource that can contribute to the rebuilding of the area and job creation, damaged trees are impeding access for important management activities, such as fuel reduction projects and measures to protect and maintain habitat for threatened and endangered species, including the Gopher Tortoise, the Red-Cockaded Woodpecker, and the Gopher Frog. It is extremely important to understand that only by capturing the commercial value of the downed timber can the Forest Service rid the landscape of debris, thereby reducing fire risks and removing impediments to recreation and wildlife in a timely manner. Once the timber has deteriorated to the point it can no longer be sold, work to reduce the risk of fire and to restore wildlife habitat and recreational access will be dependent on appropriations.

FIRE

Mr. Chairman, representatives from the West know that the threats of disaster do not end when the fire is out. Floods and mud slides remain a threat to surrounding communities for years until the hillsides are revegetated. Similarly, following a hurricane, the threats to the forest and surrounding communities remain long after the wind dies down.

Throughout the damaged forest areas, increased fuel loading raises the risk of fire and the damaged trees have potential for harboring breeding populations of insects that can become a threat to surviving trees in the area. In the moderately to severely impacted areas, there is an almost continuous cover of damaged trees. Fuel loading is two to three times normal, making control of wildfire exceptionally difficult. As the needles of the damaged trees dry, they become a flashy fuel capable of supporting extreme rates of fire spread. The combination of high rate of spread and difficulty of control over the vast area creates conditions ripe for catastrophic fires on both public and private lands..

The following map shows the Biloxi-Gulfport area that was so severely damaged by Katrina. The block of land to the north is the southern end of the DeSoto National Forest, the area of the Forest most severely impacted by the storm. It is the urban interface. Unless immediate action is taken to reduce the fuel loading and to breakup the continuity of fuels in this area there is an extreme risk that the Biloxi/Gulfport area will suffer another devastating disaster.



We are proud of the work the Forest Service has accomplished on the DeSoto National Forest since the storm. Roads have been cleared, steps taken to restore T&E species habitat and to provide for resumption of public use on the Forest. Damaged timber stands have been surveyed and plans developed for salvage and restoration. BUT, getting on with the critical work of salvaging the damaged timber and reducing the threat of wildfire is being delayed by the failure of Congress to make any provision for emergency action by land management agencies when disaster strikes. If you were to visit the most critically impacted areas of the forest lands of Mississippi, Louisiana, Alabama, and Texas today, you would find company foresters on privately-owned forests busy laying out logging operations and supervising ongoing logging. You would find foresters from the state forestry departments and consulting foresters on the ground assisting small landowners. But if you visited Forest Service offices, you would find many foresters and other specialists in the office preparing congressionally mandated analyses and reports. Mr. Chairman, the nation saw the consequences of a slow response by the federal government in the first few days following Hurricane Katrina. It should not again have to witness the consequences of the inability of the government to act promptly to mitigate further losses.

We recommend the Congress immediately take action to prevent business as usual procedural requirements from blocking needed action to respond to this unprecedented natural disaster. The Congress needs to provide a categorical exclusion for actions the responsible land management agency (Forest Service) deems necessary to avoid resource losses and reduce the threats of future losses from insects and wildfire. We recommend also that Section 322 of the Department of the Interior and Related Agencies Appropriations Act of 1993 be repealed and that these emergency recovery actions be exempted from administrative appeals.

We believe the Endangered Species Act should provide an expedited procedure to allow prompt action to rehabilitate damaged ecosystems and that the responsible agencies should be required to weigh the reasonably anticipated impacts of the rehabilitative measures against the reasonably anticipated long term impacts of no action. We are not suggesting that basic environmental standards be ignored; however, situations such as currently exist in the Gulf Coast require prompt action.

THIS WILL NOT BE THE LAST DISASTER.

Hurricanes, tornadoes, fires, ice storms, earthquakes, and other natural and man-caused disasters are part of life on this earth. The public has the right to expect that the government be prepared to take prompt, effective action to mitigate the adverse consequences. However, even in the situations of catastrophic loss involving areas designated for relief under national disaster legislation, the Forest Service, and other land management agencies, must continue to comply with all provisions of statutes, regulations, and procedures under laws such as NEPA, NFMA, ESA, and NHPA, and it must provide for and respond to administrative appeals.

The National Environmental Policy Act contains NO statutory language of any kind for emergency or disaster response. CEQ regulations, which allow an agency to consult with the Council on "alternative arrangements to control the immediate impacts of the

emergency”, are narrowly drawn to include only emergency action to protect life and property, perhaps in recognition of a lack of statutory authority, and have been unhelpful in allowing prompt actions to rehabilitate areas following disasters. There are numerous examples where delays for preparation of environmental documentation have resulted in such loss in value that proceeding became pointless.

The Endangered Species Act contains no meaningful exception for emergency action, other than that the President can authorize certain actions in major disaster areas to replace or repair public facilities to prevent loss of life. There is no provision allowing prompt action once the immediate emergency is under control.

The National Historic Preservation Act contains no statutory provision relating to relief actions during or after emergencies. The Department of the Interior has published regulations at 36 CFR 800.12(b)(2)(d) exempting “immediate rescue and salvage operations”, but they provide no help for rehabilitative actions.

I could go on with this list, Mr. Chairman, but I think I have made my point. If the committee wishes we can expand on this discussion. Following normal compliance procedures for the vast body of environmental legislation in all too many cases precludes the government from taking timely, effective actions to respond to disasters and to restore public lands to productive conditions.

We are not suggesting broad exemptions from all substantive requirements of environmental statutes. We are urging that procedural requirements be streamlined so that timely action can be taken. We believe there must be a balancing of the reasonably expected consequences of the proposed rehabilitative actions against the reasonably expected long term consequences of no action. We believe the courts need to apply this same balancing approach.

REBUILDING NEW ORLEANS AND THE GULF COAST.

The task of rebuilding the storm damaged Gulf Coast – repairing and rebuilding homes and businesses and rebuilding the infrastructure of roads and other facilities – has been characterized as the greatest reconstruction effort in our nation’s history. We believe demand for wood products to accomplish this task will severely strain the capacity of the nation to supply the needed material.

As you know, Mr. Chairman, the strong housing market of the last few years has resulted in record consumption of forest products. The domestic industry has been operating near capacity, based on available timber supplies. Imports from Canada are at record levels. Imposing the added demands of rebuilding the Gulf Coast will, in our judgment, result in sharp increases in prices and shortages of key building materials, such as framing lumber and wood panels. Such price increases and shortages would impede reconstruction as well as adversely affect economic conditions elsewhere in the country.

Our assessment of the probable supply situation leads us to the following conclusions:

- Industrial forest lands are largely operating at their sustainable capacity. Significant increases in production would result in a drawdown in growing stocks with unfavorable impacts on future supplies.

- Harvest levels on non-industrial forest lands in the South, the largest timber producing group in the country, currently exceed annual growth rates. While individual owners will make their own decisions about marketing their timber, and supply will respond to increases in prices, significant increases from this source will result in a draw down of growing stock with long-term supply consequences for the country.
- National Forest lands currently contain almost 50 percent of the nation's existing inventory of softwood sawtimber – the principal material used for lumber, plywood, and composite boards used in housing construction. Currently, less than 10 percent of the annual growth is being harvested.

Let me give a little history, Mr. Chairman. At the end of the 19th Century the public and the Congress were concerned about the impact of excessive logging and the lack of protection on our forested lands. Floods from denuded hillsides were devastating downstream communities. A “cut out and get out” approach by logging companies left abandoned towns and raised questions about meeting the wood needs of a growing country. In response, the Congress authorized the creation of a forest reserve system. The objective of the reserves was to improve and protect the forest in order to provide favorable conditions of water flow and provide a supply of timber to meet the needs of the American people.

Prior to World War II, the timber on these lands was largely held in reserve with relatively small amounts being made available for local use. Following the war, the need for housing for returning veterans and a growing population created a strong demand for lumber and plywood. Timber on industry lands and other private lands had been heavily cut to support the war effort and remaining supplies were insufficient to respond to the demand, so timber harvests on the forest reserves (renamed National Forests) were greatly expanded. For some 40 years following the war, the National Forests provided about 25 percent of the timber used for manufacturing lumber and plywood in the country (about ten billion board feet per year). This supply of timber kept wood product prices relatively low and thus enabled the home building industry to provide affordable housing. America became a nation of home owners.

By the end of the 1980's, an affluent, urban public saw higher values for multiple uses other than timber in these Forests and support for maintaining high levels of timber production disappeared. The supply needs of the country are now met by harvesting on industry lands, increased harvest from the non-industrial lands, and imports.

For the record, during the period when harvests of National Forest timber averaged about 10 billion board feet, net annual growth on the National Forests increased dramatically, tree mortality declined, and the inventory of sawtimber-size trees increased. During this period while the National Forests were meeting a significant share of the nation's wood product needs, the inventories on both industrial and non-industrial forest lands recovered enabling them to meet the current high demands for wood products.

Mr. Chairman, if our expectations of the impacts of rebuilding the Gulf Coast are right, it may be appropriate once again to look to the nation's forest reserves, our National Forests, to help fill the gap. We are not suggesting a return to the harvest levels of the post war period, but an increase of harvest levels to 25 to 30 percent of the annual growth

(about 5 billion board feet per year) is clearly sustainable and within existing management plans and would help reduce fuel loads and catastrophic fires which are not only costly and damaging to the forest ecosystem but damage a wide variety of multiple uses. Such action would provide a meaningful contribution to the supply of wood products needed to rebuild the Gulf Coast at reasonable price levels while providing jobs to local residents.

If this idea has merit, early action should be initiated in order to allow the Forest Service to rebuild its timber organization so it has the capacity to produce the added volume in an efficient and environmentally sound manner.

SOME IDEAS TO FACILITATE REBUILDING.

One of the major problems following a hurricane is finding ways to dispose of the wood debris from the thousands of damaged homes and businesses. Unfortunately most of the debris usually ends up in landfills. Finding locations for landfills can be hard. Forest Service research has developed ways to use such wood both for energy production, generation of electricity and steam for heating and industrial uses, as well as recycling the material into useful composites and other building materials.

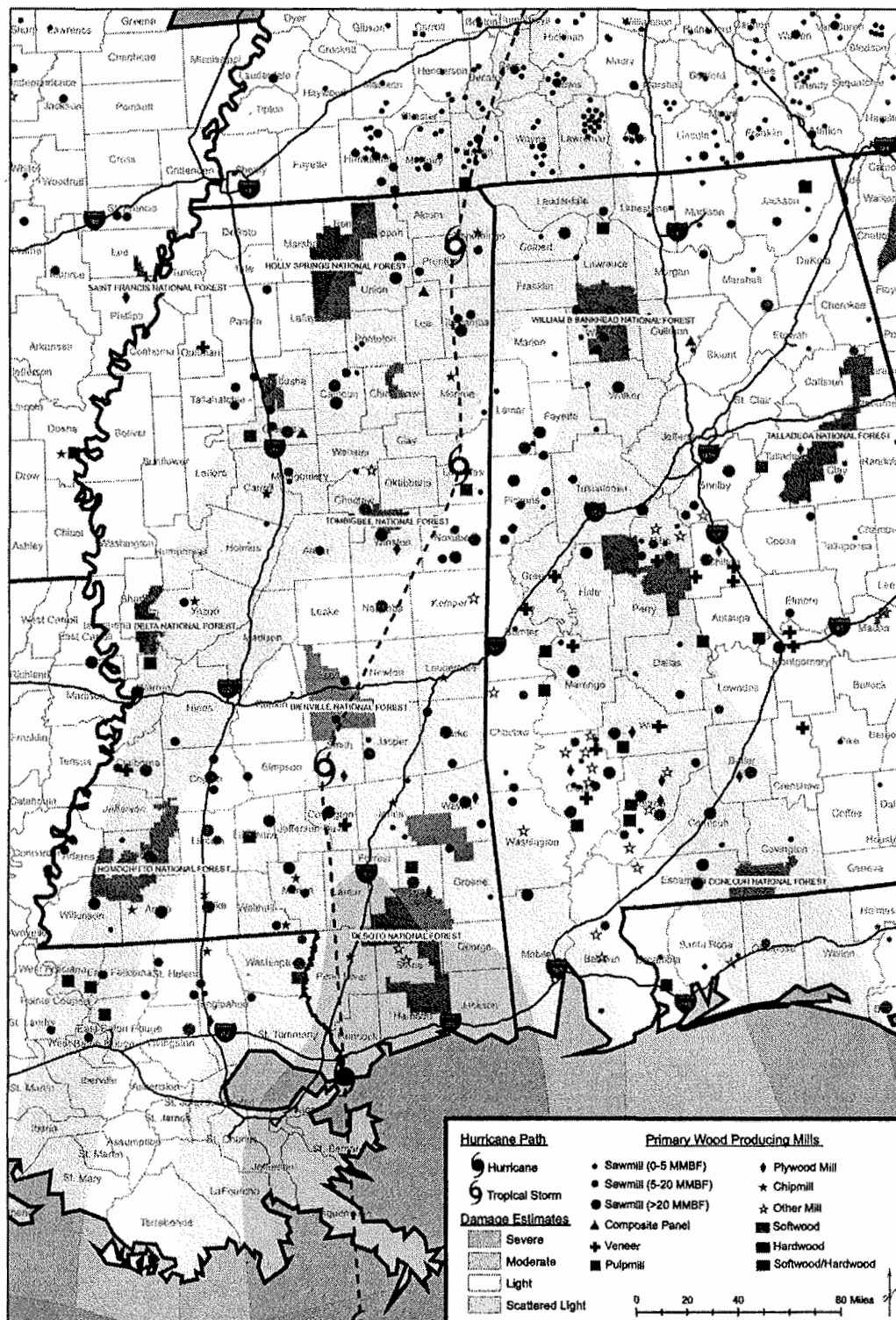
There may be opportunities for biomass conversion to ethanol; both the Forest Service and the Department of Energy have done work in this area.

There is an obvious need for efficient housing that can be constructed on a large scale. Forest Service research has developed panelized construction techniques that lend themselves to mass production of housing components. These can easily be adapted to the requirements of the Gulf Coast area.

We believe the Forest Service, Habitat for Humanity, possibly the Job Corps, and the Navy Seabee Base at Gulfport (or other military facility) working with unemployed and homeless people in the area could make a substantial contribution to meeting the housing needs in the area. It is worth some thought.

Mr. Chairman, we appreciate the opportunity to share our views. We will be happy to respond to questions or to provide additional information to the committee.

Area of Timber Damage -- Hurricane Katrina



Map Data Source: USDA Forest Service Southern Research Station 2005, Environmental Systems Research Institute, Inc. (ESRI) 2002,
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Mill locations are approximate. Some mills have been moved to facilitate visibility.

