Statement of Clint Georg

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Senate Committee on Energy & Natural Resources

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Mr. Chairman, Ranking Member Murkowski, my name is Clint Georg and I am one of the owners of a sawmill located in Saratoga, Wyoming. This sawmill had been idled for 10 years before my partners and I restarted the mill last year. We opened this mill in large part due to the need and opportunity for active forest management in the adjacent national forests and, in recognition of this, our company is named Saratoga Forest Management.

I appreciate the opportunity to comment on the legislation before the committee today. I will direct my remarks to Sen. Barrasso's bill, the National Forest Jobs and Management Act of 2014. As part of my remarks, I would like to share with you the insights I have gained as my partners and I have worked to restart the mill in Saratoga.

Saratoga, a small town of 1,700 people, sits in Carbon County, and the adjacent county is Albany County, Wyoming. These two counties have poverty rates above the State average (11.4% in Carbon County, Albany County has 26.2%; one in four of its residents live below the poverty line[1]) and many jobs in the region are seasonal. The process of reopening the sawmill took two years and millions of dollars in refurbishments, but in January of last year we starting producing lumber once more in Saratoga. Currently we have more than 100 full time employees and more than 50 contract loggers and truck drivers working for us. We are the largest employer in the town and since opening we have seen the impact to the community. We have had employees and their families move into the community, buy houses and support the community. We also have noticed existing businesses expanding and new businesses opening in the town. We are very pleased that our mill has provided a new impetus to this rural community, and we're happy to have restored a business in the area that helps provide jobs while stimulating the local economy.

I am also here as a member of the Federal Forest Resource Coalition. FFRC represents purchasers of Forest Service and BLM timber in 32 states. FFRC has previously testified that what is needed for our National Forests is a comprehensive, national bill that provides clarity about how the Forest Service is to comply with NEPA, as well as some relief from the frequently abused administrative reviews and litigation that plague Forest Service decision making.

By now, as members of this committee, you are very familiar with the crisis affecting our forests. The numbers defining this disaster are staggering –

[1] US Dept. of Commerce, US Census Bureau. Retrieved from http://quickfacts.census.gov/qfd/states/56/56001.html & 56007.html

- 81 million acres of our forests have severe health problems, the largest portion of which is in the Western United States.[2]

- 9.3 million acres burned in 2012, and over the past several years, dozens of people have been injured or killed by wildfires and hundreds of homes lost.[3]

- The ecological and economic damage from these fires has also grown as the average wildfires have grown to double what they were 40 years ago. [4]

- As a consequence of all this, the USFS now spends 47% of its budget fighting fires, up from 13% back in 1991.[5]

Although the present danger of massive and destructive fires is undoubtedly the forest health issue that gets the most widespread attention, there are other critical issues related to forest management that must be addressed. The danger from fires, already heightened, unfortunately increases again in approximately 15 to 20 years when the trees killed by the pine bark beetle rot and fall down, adding woody material to the young trees and other fine fuels growing on the forest floor. A fire in this arrangement is difficult to suppress and will pose additional safety hazards to firefighters. Severe wildfires of this type burn at higher intensities and for longer durations which can be very detrimental to plant communities, soils, and watersheds.[6]

In addition, essential water supplies are at risk due to the impact dead forests have on watersheds. Research completed just last year focused on the impact of beetle kill forests on our watershed and found healthy watersheds ultimately depend on healthy forests.[7] Changes in tree canopies affect snowpack development and snowmelt. For example, a lack of needles on branches lets more snow fall through the canopy--snow that would otherwise be caught on branches. A tree without needles also has less shade beneath it. The result is a shallower snowpack, earlier snowmelt and less water in spring. The impact is felt on a far greater scale than the immediate forest; within the heart of the beetle outbreak in Colorado and Wyoming are the headwaters for rivers supplying water to 13 Western states.

The mountain pine beetle outbreak also is affecting our climate. Our forests consume carbon dioxide and generate oxygen in a process that helps refresh our atmosphere. During outbreaks, the resulting

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[2] Frank J. Krist Jr., James R. Ellenwood, Meghan E. Woods, et. al., "*2013–2027 National Insect and Disease Forest Risk Assessment"* (USDA, US Forest Service, January, 2014) pg ii.

[3] US House of Representatives, Committee on Natural Resources, *"Forest Health and Wildfires",* Retrieved from http://naturalresources.house.gov/issues/issue/?IssueID=5924

[4] USDA, US Forest Service, *"Forest Service Chief testifies on wildfire response capabilities, challenges*", June 4, 2013, Retrieved from http://www.fs.fed.us/news/2013/releases/06/chief-testifies-on-wildfire.shtml

[5] Ibid.

[6] Colorado State Forest Service. "*2005 Report on the Health of Colorado's Forests*," (January 2006) pg 6. Retrieved from http://www.law.du.edu/thomson/AdminWiki/AgricultureForest_Service/Health_of_Colorado_Forests.pdf

[7] National Science Foundation "Ghosts of Forests Past: Bark Beetles Kill Lodgepole Pines, Affecting Entire Watersheds" (June, 2013). Retrieved from: http://www.nsf.gov/mobile/discoveries/disc_summ.jsp?cntn_id=128398&org=NSF

widespread tree mortality reduces forest carbon uptake and increases future emissions from the decay of killed trees. This impact converts the forest from a net carbon sink to a large net carbon source.[8]

Of course, the ecological disaster in our forest is impacting the animals that live there. Elk research at the USFS Starkey Experimental Forest and Range in NE Oregon documents overgrown and overdense "dry", forests as the key contributor to declining elk herds in many western states. Low nutrition on summer ranges strongly linked to fire-prone forest habitat is seen as a key limiting factor for elk[9].

Some species of birds rely on habitats that are now created almost solely through commercial forest management. As a result of the reduction in timber harvests on National Forests over the past few decades, there have been significant population declines for bird species including the Ruffed Grouse, Eastern Towhee, Field Sparrow, Brown Thrasher and Golden-Winged Warbler to name a few[10].

These statistics are very meaningful however, they don't fully define the tragedy. If you live in the area impacted, as I do, you get a much clearer understanding of the crisis:

- The three most destructive fires in Colorado happened in the past 20 months and Wyoming's worst fire season was 2012.[11] If you live in this area, you will see the billboards and banners thanking the firefighters for putting out the previous big fires, but you will also get a sense that there are likely to be even bigger fires, and more tragedies in the future.

- When you speak to professional foresters in the area, you may be surprised to learn that many of these professionals, whose careers are spent in the forests, now have grave reservations about going into the woods because of the increasing danger of falling branches and trees in the mostly dead forests.

- Elk hunters in the area talk about the change in patterns of the elk herds because of the dead forests and the State of Wyoming is now studying that issue.[12]

- National Forest campsites all throughout Colorado and Wyoming are closed or cleared of their trees to prevent these dead and dying trees from falling on campers. For the past two seasons, camp fires have been banned in these forests because of the threat of fire.

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[8] W. A. Kurz, C. C. Dymond, G. Stinson, et. al., "*Mountain pine beetle and forest carbon feedback to climate change"*, (Nature, April, 2008). Retrieved from http://www.nature.com/nature/journal/v452/n7190/full/nature06777.html

[9] Wisdom, Mike and Vavra, Marty, *"New Paradigms for Evaluating and Managing Elk Habitats: a Glimpse of the Future for Elk on Public Lands"*, (Fair Chase, Summer 2011), pg 21.

[10] Dessecker, Dan, Ruffed Grouse Society, Letter to U.S. Senate Committee on Energy and Natural Resources, January, 29 2014

[11] Billings Gazette, *"Wyoming's 2014 Fire Season is Anyone's Guess"*, January 06, 2014. Retrieved from http://billingsgazette.com/news/state-and-regional/wyoming/wyoming-s-fire-season-is-anyone-s-guess/article_c700c130-6d5d-570a-a90f-c358fa74f811.html.

[12] Wyoming Game and Fish Department, *"Elk Collared to Monitor Movements in Beetle Killed Forests",* (April, 2012) http://wgfd.wyo.gov/web2011/news-1000698.aspx

- The signs of forest devastation are obvious to anyone living or visiting the area and are very personal. Now, and for the past few years, when I drive my 10 and 11 year old children from Denver to our favorite ski resorts we no longer see the miles of beautiful green forests that originally drew my family to the region. And my favorite drive in Wyoming, the spectacular Snowy Range Road, now provides a vista of, not purple mountain majesties, but horizon to horizon of largely dead spruce and Lodgepole pine.

In all, there are more than 7 million acres of forests like this in WY and CO that are desperately in need of restoration. This is the legacy of forest management that we are leaving our children and our grandchildren.

It is particularly galling to anyone who loves the outdoors that this crisis was in large part created by policy, not by nature. Drought and higher temperatures play a role in this crisis, but the unhealthy structure of the forest is the root cause.

The functioning of the forests in my region are well understood and have been for years.

- The various forest types in the Rockies all evolved with fire, whether it was lower intensity fires in the ponderosa pines or higher intensity but rarer fires in spruce and Lodgepole stands. None of these stands live forever, and all relied on fire to regenerate or maintain stand structure. However, since 1908, the Federal government worked with the States to actively suppress fire – something that now, with the expanding population and development in our forested states is even more important.

- The result of suppressing fires is increased fuel loading in our forests – more trees, packed closed together, weaker because of fighting for nutrients and more prone to natural disasters such as insects, disease or uncontrollable fires.

- This suppression of fire was actually not as harmful prior to about 1990. This is because timber harvests replaced fire as the means of thinning the forests. In the 1960s, 1970s and even in the early 1980s, timber harvests while still not removing enough timber to completely eliminate the fuel loading, were doing enough to keep the forests in balance – an admirable state of affairs.

- Revisions to forest plans in the 1990's and the decision to stop managing roadless areas moved us away from this balanced approach to managing our forests. This was the policy change that helped create the crisis. As a result, harvests dropped precipitously to unsustainable levels of less than 2 billion board feet. Since then, growth has greatly exceeded removals, and now bugs and fire are harvesting the excess. An industry that had been the envy of the world was devastated and the National Forest System, a national treasure that was instrumental in creating this country and spurring it on to greatness, was set on the path to the catastrophe we are now living.

Many of the policies that contributed to this crisis are unfortunately still with us and limit the amount of timber being harvested from our forests. And yet, active forest management, which produces valuable timber also has a direct benefit in restoring forests to a healthy state.

- In a Lodgepole forest for instance, dead stands of trees limit the sunlight from reaching the forest floor which inhibits seed regeneration. Falling trees further block regrowth and can take 100 years to decompose. Well before then, the seeds have lost their viability and the forest has little chance to regenerate.

- Harvesting the dead stands of Lodgepole pine, on the other hand, mimics the effects of a wildfire and opens the forest floor to sunlight which leads to rapid regrowth.

- Once the dead trees are removed, regeneration starts immediately and within a few short years, the forest has renewed vitality.

In a cruel irony, in the midst of one of the worst catastrophes to hit our forest, the very companies that could be used to restore these forests are suffering from a lack of access to timber.

As an example, in Wyoming, Colorado and South Dakota, we have a small industry comprised of private and family owned timber businesses. These businesses must rely on federal forests for their supply of logs and even though the area includes 7 million acres of infected forests needing critical management, the amount of timber acreage the USFS is able to provide falls far short of the 52,000 acres that we, as an industry, need annually to survive. In the midst of the worst ecological crisis facing our forests, where active forest management is desperately needed, our industry is facing a very real potential for failures and shutdowns.

One reason for this is the financial drain to the USFS of administering NEPA under the current constraints. Under the present NEPA process, extremist groups can continue to use litigation to impede the active forest management that can help restore portions of our ravaged forests.

To be clear, we are not speaking about mainstream conservation groups. Environmentalists, US and State Forest Services and the timber industry alike recognize the need to increase the pace and scale of restoration.[13] Extreme groups, though, often do not collaborate, have no investment in the outcome of the timber sale, and instead have used appeals and litigation to kill collaborative efforts and badly needed forest management projects. As an example, in 2012, NEPA related litigation regarding a sale on the Rio Grande National Forest in Southern Colorado took 2.5 years to get through the courts.[14] In the end, the sale was stopped and that same area is now heavily infected by Spruce beetle with severe mortality.

The fact that forest health and restoration efforts face the possible gauntlet of prolonged NEPA analysis, followed by the possibility of administrative reviews and litigation as obstructionist tactics, causes the USFS to incur stifling high costs and unreasonable delays on each timber sale just to be prepared for the worst.

The Forest Service is already pursuing a number of policies and initiatives to increase the pace of forest restoration and management on the national forests with the aim of healthier forests and watersheds,

[13] US Department of Agriculture, Forest Service, "*Increasing the Pace of Restoration and Job Creation on Our National Forests",* (February 2012), pg. 3.
[14] Draper, Heather, *"DU law students block SW Colorado logging permit"*, (Denver Business Journal, February 10, 2012)

safer communities and more vibrant local economies. One way to help that agency is to release the Forest Service from the threat that routine forest management projects will go to court.

For the past 25 years, environmental extremists have taken advantage of the Forest Service's appeals process and filed administrative appeals as a means of obstructing projects and increasing Forest Service costs. In the FY 12 Appropriations Bill, Congress directed the Forest Service to apply the HFRA objections process in lieu of the appeals process for project decisions. The Forest Service just completed the transition from appeals to objections last September (2013). We applaud Congress' intent and we are very optimistic about the objections process. However, the current process still allows for the possibility of costly and delaying litigation.

Senator Barrasso's bill provides an opportunity to try a new approach on a limited scale. It proposes to take less than 4% of the National Forest System and allow the Forest Service to use a streamlined approach to NEPA and ESA. Projects on these acres would go through a process of binding arbitration, rather than protracted and expensive litigation. In order to participate in the arbitration process, individuals would be required to participate in project development. And a demand for arbitration must be accompanied by a recommendation on what the Forest Service **should** do, not merely a demand that they not do anything. This proposed bill will preserve the ability to object, but streamlines the process, reduces costs, and puts more resources into management of the land rather than litigation.

Reforming the NEPA process along the lines of Senator Barrasso's bill is a win-win on many levels.

- One winner is the USFS which is faced with the massive task of providing an increased pace and scale of forest restoration efforts – a tasks for which it lacks the funds required. Revising the NEPA process and clarifying the direction for management should help free up some of those funds – putting them to more productive use.

- Of course, the biggest winner will be the National Forests. Reducing the burdens of analysis, reducing the number of frivolous lawsuits, and encouraging alternative methods of dispute resolution will allow the USFS to devote more funds to increasing the pace and scale of forest restoration.

- The impact on the forest is a clear win for the wildlife that depends on the forest. After harvesting, forests can regenerate at a rapid rate and within just few years provide healthy habitat and a food source for elk, deer and a variety of other animals. As an example, in Wyoming, we can see green stands of trees in the midst of the otherwise largely dead forests; these areas are where timber was harvested a few years past. The new growth resisted the beetle and provides sanctuaries for animals in the area.

- Active forest management captures carbon dioxide that would other be emitted by decaying logs, returns the forest to an active carbon sink status and protects our watersheds as well.

- The workers in America's sawmills, papermills, and logging crews that depend on the National Forests for all or some of their wood fiber also win. The timber industry – loggers, truckers, sawmills, engineered wood plants, biomass power plants, and pulp and paper facilities – is the most economically efficient means of treating landscape size forest

acreages. Revising the NEPA process, if it saves the time and money needed to prepare timber sales, will help close the gap.

Senator Barrasso's bill also directs the Forest service to implement timber harvests on 7.5 million acres over a 15 year time period. Timber harvests put money back to the Forest Service and help pay for other resource management. In fact, as late as the 1970, the USFS was a net generator of revenues for the Government. The consistency of a 15 year agenda also better allows the timber industry to plan and make those long-term investments that are necessary to further support forest restoration.

Thank you for this opportunity to share my thoughts and experiences. When considering action on this proposed legislation, please consider that the current system is driving the decline of national forests and is unsustainable both ecologically and economically. Senator Barrasso's bill offers a meaningful step forward in restoring our national forests. Therefore I strongly urge and request, on behalf of my company and the FFRC, that you support this bill and move it toward passage.