Testimony of Commissioner Doug Robertson On Behalf of the Association of O&C Counties Before the United States Senate Energy & Natural Resources Committee Concerning S-1784, The Oregon and California Grant Lands Act of 2013

February 6, 2014

Mr. Chairperson, Ranking Member and Members of the Committee:

My name is Doug Robertson. I am a County Commissioner from Douglas County, Oregon, and am President of the Association of O&C Counties. Thank you for the opportunity to testify today concerning Senator Wyden's proposed Oregon and California Grant Lands Act.

This bill addresses management of about 2.1 million acres of land in 18 counties in Western Oregon. A quarter of these lands are scattered across my County, the rest are spread out in a checkerboard pattern across the other 17 counties western Oregon. In spite of the name, the O&C lands exist only in Oregon and nowhere else.

The lands were part of a grant in the late 1800s to the Oregon and California Railroad Company, in exchange for construction of a rail line from the Columbia River to the California border. The grant was for alternating sections of land on both sides of the rail line, in a checkerboard pattern, which the railroad company was supposed to resell in 160-acre parcels to actual settlers for no more than \$2.50 per acre. The railroad was built but the terms of the grant were violated, so after decades in private ownership and at the urging of Oregon's citizens and local governments, the lands were taken back by the United States in 1916, with the intent they be reconveyed back into private ownership as rapidly as possible. The policy of disposal of the lands was ended with passage of the O&C Act of 1937, which is still on the books today. The O&C Act directed that the grant lands remaining in federal ownership in 1937 be retained and managed primarily for timber production under principles of sustained yield to produce revenue for local governments and to provide a stable source of timber supply, in perpetuity. The O&C lands are unique, and their statutory mandate is unique. On the O&C lands, the law provides for one dominant use----timber production---very unlike the multiple use mandates applicable to National Forests and most other federal lands.

The United States followed the intent of the O&C Act closely for 50 years, but not so much for the last 20 years. The O&C lands are capable of producing 1.2 billion board feet of timber on a sustained yield basis, forever, but over the last 20 years harvest levels have declined by almost 90 percent, to less than 200 million board feet per year. The generation of revenue for local governments, which was the primary objective of the O&C Act, likewise shrank by almost 90 percent, a loss that would have bankrupted many O&C counties had Congress not intervened repeatedly to provide assistance as part of the temporary Secure Rural Schools and Community Self-Determination Act program. The consequences of these declines are more than just the numbers that measure them. It is the people who pay the price. While counties teeter on the brink of insolvency, the last of the mills in some areas continue to close for lack of raw materials, contributing to unemployment that is chronically well above the national average, and the

populace nears the end of the painful slide into the swamp of poverty, with all the attendant social ills that plague broken communities. And of course, the great irony is that the forests "saved" from timber harvest by the environmental movement are burning up all around us every summer. In my County alone last summer, wildfire destroyed over 50,000 acres of valuable timberland, an economic loss, to be sure, but also a great loss to the environment. The federal system for managing these lands is in desperate need of repair or replacement.

Senator Wyden's bill is an attempt to restore some semblance of rational management to the O&C lands. We applaud the Senator's intentions. Unfortunately, I fear the bill will do less than intended, and not nearly enough for local communities, considering what these lands are capable of producing. We are not yet in a position to judge what the bill would do, because it has not been properly analyzed. Governor Kitzhaber has set in motion a process for objectively analyzing the bill, to independently assess the sustainable levels of timber harvest and revenues it would produce, but that effort has been delayed by the BLM, which has been very slow to respond to requests for the information necessary for the Governor's experts to proceed with their analysis. We have been told that the Governor's experts will not have results until mid to late March.

Meanwhile, we are left with more questions than answers:

How much timber would be made available on a sustainable basis? One estimate heard is about 330 million board feet per year, but preliminary information suggests that would only be for 10 to 20 years, after which the harvest level would drop substantially, perhaps by as much as 50 percent. The Counties believe that 500 million board feet per year on a sustained yield basis is the minimum acceptable, considering that amount is less than half of the amount of new growth added by the timber on these lands each year.

<u>How much revenue would be produced to share with Counties?</u> Senator Wyden's staff told the Counties that no revenue projections were made by them or for them, and generating revenue was not a goal of the bill. I must report that the Counties were chagrined to hear that County revenue concerns were not a factor in the design of the bill that is before you today. When the Governor's revenue analysis is available, we will know better if the bill is worthy of our support.

How certain is it that the bill would reduce litigation that has been obstructing rational

management? Even if the bill were projected under ideal conditions to produce adequate harvests and revenues, would appeals and litigation prevent achieving the intended results? It should be noted that just 10 days ago environmental organizations filed litigation challenging the White Castle pilot project that uses the same ecological forestry methods that form the basis for S.1784, which is a clear indication that the litigation onslaught will continue as long as it is allowed to continue. We applaud Senator Wyden for his initial efforts to streamline procedural requirements by the creation of a programmatic EIS and partially limiting the NEPA requirements for individual projects. We fear, however, that improvements in that one area might be more than offset by loopholes and new substantive requirements. We hope that Senator Wyden will be willing in the coming weeks to discuss possible ways to increase the certainty of achieving the outcomes intended by his bill.

The Association of O&C Counties remains supportive of the bipartisan O&C Trust, Conservation and Jobs Act sponsored by Congressmen DeFazio, Walden and Schrader, which was passed by the House of Representatives in September. There are some broad, common themes underlying it and Senator Wyden's proposal. It is our hope that Senator Wyden and others from this body will work with Congressmen DeFazio, Walden and Schrader to identify the best parts of each proposal, blending them to produce a combined bill that earns widespread support in Congress as well as the support of those of us who live and work among the O&C lands.