



**Roseburg Area Chamber of  
Commerce**

**Presentation: Policy Issues Facing  
Oregon's Forest Products Industry**

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# INTRODUCTION

## PERSONAL BACKGROUND

- WA/OR/DC
- Policy Background
- Strong Interest in Natural Resource Issues

## WHAT IS THE AMERICAN FOREST RESOURCE COUNCIL (AFRC)

- *Public* timber vs. *Private* timber
- Advocating for responsible management of public forests
- Our tools: Legislative, Administrative, Legal, Communications



# OPPORTUNITY: OREGON'S TIMBER INDUSTRY

- Oregon's forest products industry is one of the most competitive and efficient in the world
  - Employs more than 61,000 Oregonians
  - #1 state for production of softwood lumber – 16% of U.S. production
  - Pays an annual wage of \$54,200/year, more than \$3,100 above the statewide average
  - Approximately one in four Douglas County residents works in the Forest Products sector
  - It is one of the largest employers in *rural* Oregon, where unemployment and poverty indicators are the highest. ~ 30% higher wages than overall average annual wage in Douglas County
    - 60.6% of students in Douglas County are eligible for free or reduced lunch program, 47% statewide
    - 5.4% unemployment rate in Douglas County compared to 4.1% statewide average (24% higher)
  - 11 direct jobs are created for every 1 million board feet harvested
- **AFRC members** - many privately-held companies, community-orientated



# OPPORTUNITY: OREGON FORESTS ARE PRODUCTIVE

- Oregon is covered by some of the most productive forests on the planet
  - 29.7 million acres of forestland (60% federal, 22% industrial, 14% non-industrial/tribal, 4% state/local)
  - ~4 billion bf statewide harvest (65% industrial, 15% federal, 14% non-industrial/tribal, 6% state/local)
  - Late 1980's ~ 8 billion bf statewide harvest - 57% federal
- Douglas County land base is 3.2 million acres. 2.8 million acres, or 85.2%, are forested
  - The Federal Government (USFS/BLM) owns 1.65 million acres in Douglas County, or 51%
  - ~600 million bf annual harvest in Douglas County (77% industrial, 12% non-industrial/tribal, 10% federal)



# OPPORTUNITY: FEDERAL FORESTS

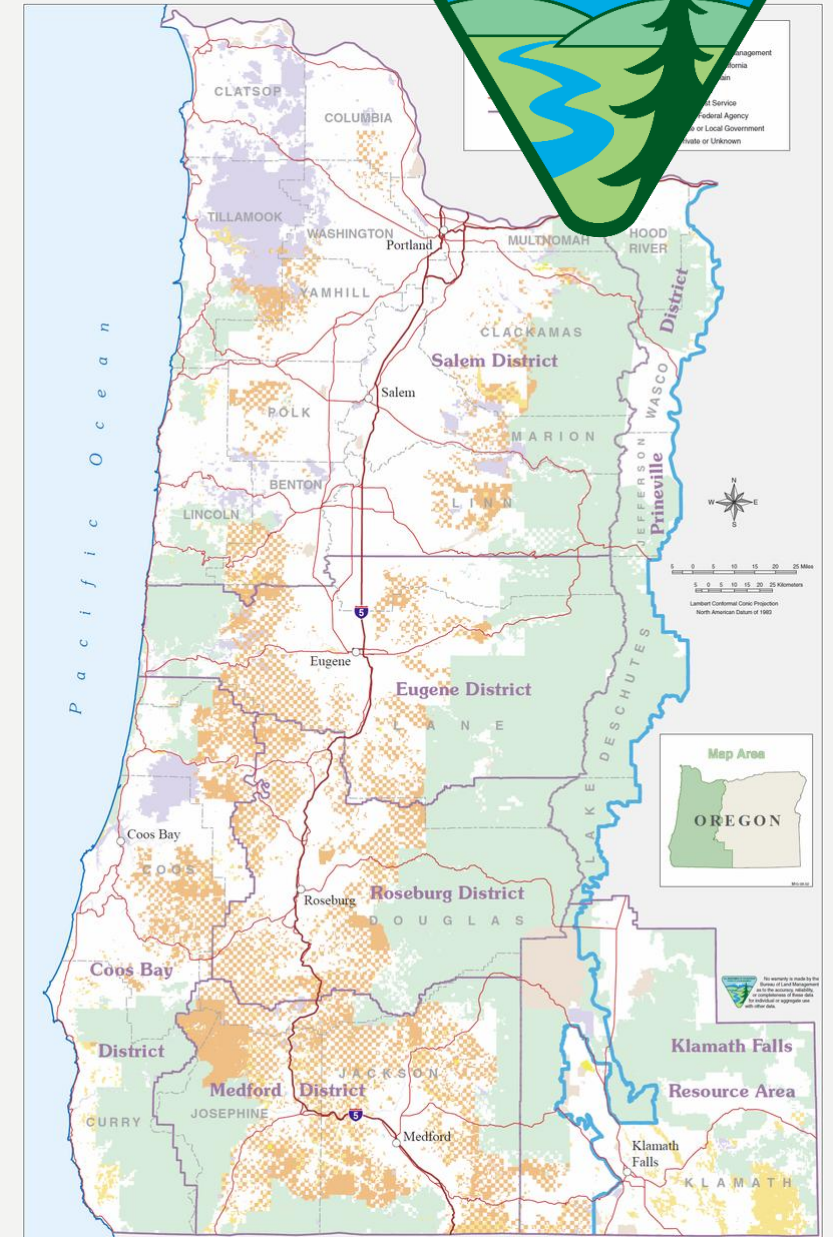
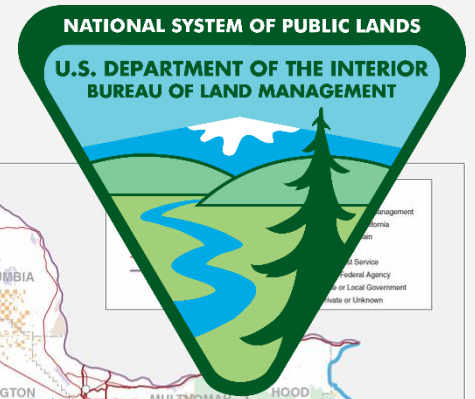


- USFS Lands in Western Oregon grow 4.7 billion bf / year
  - Umpqua NF - 923 million bf annual growth
    - 78 million bf ASQ under Northwest Forest Plan (NWFP)
    - 24.7 million bf annual average volume sold (32% of ASQ)
  - Rogue River Siskiyou NF – 1 billion bf annual growth
    - 50 million bf ASQ under NWFP
    - 30 million bf annual average volume sold (60% of ASQ)
  - Willamette National Forest – 1.35 billion bf annual growth
    - 116 million bf ASQ under NWFP
    - 79 million bf annual average volume sold (68% of ASQ)
- **110 million bf short of NWFP ASQ = additional 1,213 direct jobs in SW Oregon**

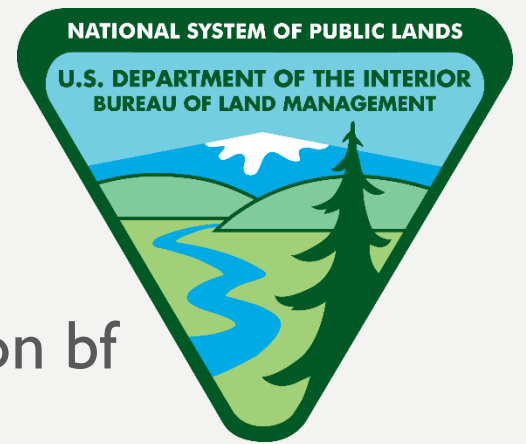


# OPPORTUNITY: FEDERAL FORESTS

- Over 2 million acres of timberland
  - Railroad grant – once private
  - Largely checkerboard, large concentration in SW Oregon
  - O&C Act of 1937 – timber harvest mandate
- 50% of timber revenues shared with O&C counties to fund essential public services (was 75%)
- Law enforcement, public health, libraries, etc.



# OPPORTUNITY: FEDERAL FORESTS



- The BLM O&C Lands in Western Oregon grow over 1.2 billion bf timber per year. Late 1980's harvest levels of ~1.2 billion bf
- 2016 RMPs set aside 80% of the land base, ASQ vs. thinning
- Shifted volume to the north, away from Roseburg and Medford Districts
  - Recent Average O&C annual sale volume of ~215 million bf per year (18% of annual growth)
  - Roseburg BLM District (45 million bf / 32 million bf ASQ). ~32 million bf recent sale volume
  - Medford BLM District (57 million bf / 37 million bf ASQ). ~ 20 million bf recent sale volume





# LITIGATION: FEDERAL FORESTS



- Litigation challenging 2016 BLM RMPs
  - Environmentalist litigation – Ore. District Court/9<sup>th</sup> Circuit
    - Roseburg Chamber Intervenor
  - AOCC litigation – DC District Court
  - AFRC litigation – DC District Court
- *Swanson III* Litigation in DC District Court – volume shortfalls
  - **Remedy phase upcoming**
- Cascade-Siskiyou National Monument Litigation
  - AOCC and AFRC challenges – DC District Court
  - Murphy Company challenge – Ore. District Court
- **500 million bf annual sale level would support an additional 3,135 direct jobs in western Oregon with many in SW Oregon.**





# LEGISLATION: FEDERAL FORESTS



- Select authorities for the Forest Service passed since 2012
  - Streamlined Objection Process (2012)
  - 3,000-acre Categorical Exclusion (CE) on 74 million acres (2014)
  - Expanded Good Neighbor Authority (2014)
  - Fire Funding Fix (2018)
  - Partial Cottonwood Fix/Expansion of 3,000-acre CE (2018)
  - Seven years of increased timber management funding



# REGULATORY REFORMS: FEDERAL FORESTS

- Forest Service EADM effort/NEPA reviews
  - GAO Study
  - Efficiencies and use of existing authorities – increased harvest levels at the USFS.
  - Forest Service Regulatory/NEPA reforms
    - New “restoration” Categorical Exclusion (CE)
    - New CEs for special use permits
    - Streamlining planning process to match other agencies
- USFWS/NOAA ESA Regulations
- BLM regulatory reforms – protest/appeals, possible CEs



# WHY ACTION IS NEEDED: RURAL ECONOMIES, PUBLIC SERVICES

- Historically, the timber industry generated hundreds of millions of dollars per year for basic county services like roads, schools, law enforcement, and mental health – **services critical to attracting and retaining private business**
- “Timber receipts” were replaced in the 1990s by direct support payments from the U.S. Treasury
- In 2008, support payments to Oregon for basic county government services totaled **\$240 million**
  - (\$44 million to Douglas County)
- In 2018, support payments to Oregon for basic county government services dropped to **\$76 million**
  - (\$15.3 million to Douglas County)
- The support payments, known as Secure Rural Schools payments, have once again expired and may not be reauthorized by Congress. “Timber Receipts” may again fund county services.
- Under current diminished logging levels, timber receipts *may* generate **\$40 million** for counties





# WHY ACTION IS NEEDED: WILDFIRES AND SMOKE

- Wildfire and smoke are growing threats to Oregon. Travel Oregon data from 2017 wildfire season:
  - 1.2 million acres burned
  - \$457 million spent to suppress wildfires
  - 56% increase in unhealthy air quality readings across the state over the highest readings from 2000-2016
  - \$51.1 million in lost tourism revenue – restaurants, hotels, etc
  - Significant impact on public health, youth, and older residents
  - Impacts to the “recreation economy”, retirees
- Governor Kate Brown’s Council on Wildfire Response – report issued this month



# WHY ACTION IS NEEDED: WILDFIRES AND SMOKE

OREGON 2018 – all wildland fires [forest, range, ag]

Agency	Fires /Human	Acres/Human	Fires/Lightning	Acres/Lightning	Fires/Total	Acres/Total
BIA	76	1,245.3	16	8,504	92	9,749.3
BLM	108	123,856	103	133,701	211	257,557
C&L	6	78,430	10	102,340	16	180,770
DOF	742	48,165	223	42,503	965	90,668
FS	392	75,528	316	275,857.4	708	351,385.4
FWS	2	2,303	6	1,504	8	3,807
NPS	4	193	15	3,133	19	3,326
Totals:	1,330	329,720.3	689	567,542.4	2,019	897,262.7

In 2018, nearly 900,000 acres burned across all jurisdictions and ownerships in Oregon.

**Despite similar numbers of human and lightning-caused *starts* across ownerships (public and private), 625,000 acres – or 70 percent – burned on Federally-managed land.** In other words, wildfires start on both private and public land, but fires are burning and spreading at a much faster rate on Federal lands.



# POLICY ISSUES: CARBON LEGISLATION, PRIVATE FORESTS, GOOD NEIGHBOR

- **Cap and trade/ carbon legislation**
  - 2019 Oregon legislative session, #timberunity movement
  - Credit for carbon sequestered in wood products
  - Wildfire emissions from federal lands, net carbon emitter?
  - Promoting wood products – substitution?
    - Wood as a renewable, green building material – CLT, etc.
  - Recognition that forest products industry is a net carbon sequester
    - University of Washington study of private lands in Washington state
- **Good Neighbor Authority (GNA) – will Oregon take advantage of this authority?**
- **Attacks on Oregon Forest Practices Act, Private lands**
  - Potential ballot measures on stream buffers and aerial application of herbicides
- **Wilderness and other restrictions on federal lands**





# WHAT DOES IT MEAN FOR DOUGLAS COUNTY?

- Impacts to Douglas County businesses like local restaurants, gas stations, grocery stores, and other service industries that rely on a vibrant timber industry
- Impacts to businesses and residents (youth, seniors) due to impacts on tourism and recreation from wildfire/smoke
- Impacts to timber revenues to Douglas County – potential cuts to essential services and requests and potential tax increases to backfill lost revenue
- Need to maintain and develop trained workforce for the forest products industry – often same skills as advanced manufacturing



# WHAT CAN YOU DO?

- **Ensure your employees, customers, and suppliers understand the importance of promoting good forest management.**
  - **Health Forests, Healthy Communities**
- **Encourage local federal agency staff (Forest Service, BLM) to promote and defend timber sales, meet and exceed targets**
- **Urge federal elected officials (Wyden, Merkley, DeFazio) to restore active management to federal forests – improve forest health, increase revenues - and not enact more arbitrary land set-asides**
- **Urge state officials (Governor Brown, legislators) to promote active management on federal lands through GNA, state advocacy**
- **Oppose proposals targeting private forest management**



**THANK YOU.  
QUESTIONS?**

