



# FEDERAL FOREST

## RESOURCE COALITION

### FFRC Weekly Report for Friday, July 28, 2017

#### **Forest Service Posts Disappointing Third Quarter: Timber Outputs Down Year over**

**Year:** The Forest Service published the cut and sold reports for the 3<sup>rd</sup> Quarter of FY 2017 on Thursday, July 27<sup>th</sup>. These track National Forest timber sold between October, 2016 and the end of this June, 2017. You can find both a national summary and regional reports [at this link](#).

Overall, the agency sold just more than 1.304 Billion Board Feet (BBF) through June 30<sup>th</sup>. This is down slightly from 1.381 BBF by this point in 2016, but higher than either 2014 or 2015. That leaves the Forest Service with 1.8 BBF to sell in the 4<sup>th</sup> quarter to hit a target of 3.2 BBF. Currently, according to the Periodic Timber Sale Accomplishment Report (PTSAR), there have been over 148 MBF that have gone “no-bid” system wide, with 96 MBF in Region 8 (the Southeast).

Of the total sold so far this year, 472 MBF, (36 percent) was pulpwood, 713 MBF (55 percent) was sawtimber, while 155 MBF (12 percent) was firewood. Overall, firewood, biomass, and “other convertible” materials made up 22 percent of the program. Sawtimber is down roughly 8 percent from last year, even though sawtimber markets remain far stronger than pulpwood markets in many regions. By region, outputs were as follows:

FS Region	FY 17 3 <sup>rd</sup> Qtr. (MBF)	FY 16 3 <sup>rd</sup> Qtr. (MBF)	% Change
<b>Region 1</b>	175.421	74.710	+57.4
<b>Region 2</b>	131.686	140.489	-6.3
<b>Region 3</b>	81.787	81.465	--
<b>Region 4</b>	32.878	64.702	-49.2
<b>Region 5</b>	98.662	174.857	-43.6
<b>Region 6</b>	201.199	232.169	-13.3
<b>Region 8</b>	244.153	280.558	-13.0
<b>Region 9</b>	338.620	331.014	+2.3
<b>Region 10</b>	0.288	1.845	-84
<b>Total:</b>	<b>1.304 BBF</b>	<b>1.381 BBF</b>	<b>-5.6</b>

**Observations:** The agency is working hard to meet its target, but continuing to offer more than half of the program in the final quarter of the fiscal year will create challenges as

industry struggles to evaluate and bid on numerous sales in a compressed period of time. It seems likely that some of the accomplishments in the first three quarters of this year is “no-bid” volume that was resold this fiscal year.

In the meantime, if the agency receives no bids on any sales, it will be difficult to re-sell them in the current fiscal year, meaning a missed timber target. Sales can go “no bid” for a variety of reasons – inappropriate pricing, unattractive product mix, or uneconomic sale design and harvest requirements (requiring, for instance, helicopter logging on a low value thinning sale). The Forest Service usually tries to re-offer sales to attract bidders, but there will be little time to do so if the sales don’t receive initial bids in the closing days of the fiscal year.

Of course, in spite of some fairly directive language in the Omnibus Appropriations Act to track personal use firewood separately from competitively bid timber sales, the agency seems determined to count that product as part of their outputs.

Nearly half (44 percent) of the timber sale program comes from Regions 8 and 9, which include only about 13 percent of the total NFS acres. Region 10, which includes the Tongass National Forest in Alaska continues to struggle to sell any timber, with an ill-advised effort to sell young growth timber sales running into resistance from anti-management groups, and failing to meet the needs of Alaska’s small remaining industry.

We’ve shared all this data with our friends on Capitol Hill, and urge you to talk to your delegations about it when they are home next month.

**FFRC PAC Corner:** You may have heard: Washington is a tough town. Competing requires financial resources – including funds to support Federal timber champions in Congress. FFRC Political Action Committee (FFRC PAC) is the way we do this. Our 2017 Fundraising Campaign is underway. To learn more about how to support FFRC PAC, contact Bill Imbergamo, FFRC PAC Treasurer, by [clicking this link](#) or calling 202-518-6380.

**Fires Season Brings Congressional Attention:** 2017 has seen more than 5.1 million acres ravaged by wildfires to date. This is an increase of 1.5 million when compared to the 10 year average of 3.5 million, in spite of the fact that we’ve had 4,700 fewer fires this year than the average.

Montana is experiencing the worst fire on their Eastern side right now out of any other state and currently has 16 large fires adding up to almost 360,000 acres according to the National Interagency Fire Center. The Lodgepole Complex fire alone has burned over 270,000 acres. Both Montana Senators, Steve Daines (R) and Jon Tester (D), spoke on the Senate floor this week to discuss forest management reform and aid for the Lodgepole Complex fire. Senator Daines focused on the impact proper forest management has on saw mill that can create jobs in rural America when able to harvest from federal lands and the benefits of reducing wildfire risk from thinning and other management tools.

Daines also addressed the Endangered Species Act which can hold up thinning projects when the Forest Service is slapped with a law suit. Tester promoted the need to change how we pay fire suppression costs as a country. He urged that the large wildfires be categorized as natural disasters and funded outside the Forest Service funds and through other agencies such as Federal Emergency Management Agency (FEMA). In addition, Senator Daines and Rep. Greg Gianforte (R-MT) wrote to FEMA Administrator Brock Long to urge him to “reconsider the State of Montana’s request for a Federal Emergency Management Agency declaration of eligibility for fire management assistance on the Lodgepole Complex fires.” You can read the full letter [here](#).

In Rep. Tom McClintock’s (R-CA) district, firefighters recently fought off a fire that was endangering the Stanislaus National Forest if not suppressed in time. He took to the House Floor this week to discuss this fire and advocate for his Resilient Federal Forests Act. McClintock noted the “forest that is dying because of federal environmental restrictions on forest management” and that due to this environment if the fire was to reach the trees it would have “exploded with the force of an atomic bomb.” He also focused on regulations “that are making it almost impossible to create firebreaks, thin the forests and remove the excess fuels.” You can read his speech [here](#).

**Zinke Promotes Resource Use:** In the past week Department of Interior Secretary Ryan Zinke has spoke at events for the American Legislative Exchange Council (ALEC), the Western Conservative Summit, and at the Rocky Mountain National Park in Colorado. While his speech to ALEC, a group that drafts legislation state legislators, was closed to the public, Zinke did tell media that they “agree to disagree” on federal lands. ALEC has promoted bills that would transfer federal lands to state control. Zinke continues to reiterate the importance of keeping certain land in federal control and later compared himself to former and first Forest Service Chief Gifford Pinchot who wrote “The first great fact about conservation is that it stands for development.” At the Western Conservative Summit he focused on the trust between the public and government stating “Where did America turn where we don't trust our government, and how do we get it back? And a lot of it is working with local communities, working with our states, looking at the relationship between our people and our government and understanding that the American experience is worth fighting for.”

Zinke was at the Rocky Mountain National Park to announce a total of \$53 million—\$20 million federal grants and \$33 million private funds—will be used toward maintenance and infrastructure projects in 49 national parks over 39 states. On this visit he also mentioned that additional monuments will be removed from the review process, however he did not indicate which ones those might be. Zinke has announced that three monuments will not be changed; Canyons of the Ancients National Monument in Colorado, Hanford Reach National Monument in Washington state, and Craters of the Moon National Monument and Preserve in Idaho.

Meanwhile, the Senate confirmed David Bernhardt’s nomination as deputy secretary at the Department of Interior. His nomination did not come without controversy from the green groups who couldn’t look pass what they deemed conflict of interst and past experience on

national monuments and offshore drilling. In a statement Zinke said, "David's extensive experience serving under previous Interior secretaries, his esteemed legal career, and down-right love of our land and resources is exactly what is needed to help streamline government."

**Goeken Tapped for Interior Legal Post:** Late Thursday, Interior Secretary Ryan Zinke made several personnel moves that do not require Senate confirmation, including naming long-time timber industry advocate and frequent FTPC meeting attendee Rick Goeken to join the legal team at the Department of Interior.

"I could not be happier with the way our department has been staffing up in recent weeks," Interior Secretary Ryan Zinke said in a statement. "These new team members will help us more efficiently and effectively carry out the president's priorities on behalf of the American people."

Zinke tapped Richard W. "Rick" Goeken as deputy solicitor for parks and wildlife. A graduate of Marquette University and the Marshall-Wythe School of Law at the College of William & Mary, Goeken was until recently a partner at the law firm Smith Currie & Hancock LLP.

"Rick represents members of the forest products, construction, and oil and gas industries, ranchers and grazing associations, professional guides and outfitters, and holders of water rights on or across public lands," his former law firm's online profile stated, adding that "Rick also protects clients' private property rights from needlessly burdensome federal environmental law and regulation."

Rick has been a good friend to industry and an active participant in FFRC, including attending FTPC meetings in the past.

**The Week Ahead:** The House is poised to begin their August recess and will return to DC on September 5<sup>th</sup>. Next week the House Committee on Agriculture is taking the recess opportunity to hold Farm Bill Listening Sessions in [San Angelo, TX](#) (July 31), [Morgan, MN](#) (August 3) and [Modesto, CA](#) (August 5).

**Editor's Note: Congress Stumbling Toward the August Recess:** Although the House cleared a healthcare reform bill earlier this year, efforts this week in the U.S. Senate fell short. Majority Leader Mitch McConnell (R-KY) had earlier decided to cancel the first two weeks of the traditional August recess. Now, with last night's healthcare failure, it appears the Senate will be in next week and may recess as early as next Friday after clearing some nominations.

Unfortunately, the glacial pace of appointments at USDA continues, and the Senate slow-walking qualified candidates like David Bernhardt makes us less than optimistic that there will be real change at USDA and the Forest Service until September.

In the meantime, August is a good chance to engage with your Congressional delegations at home, so be on the lookout for any town halls or other events your members may hold in your district or in the state throughout the month by checking their websites and social media accounts.

***Unless something newsworthy happens in the public timber universe, this will be the last FFRC Weekly Report until Friday, September 8<sup>th</sup>.***



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