

Republican Dominated Transfer of Management Authority of Federal Public Lands to States



H.R. 1526
SEPTEMBER, 2013

***A MAJOR STEP TOWARD PRIVATE
OWNERSHIP OF PUBLIC LANDS***

REVIEW, ANALYSIS AND SUMMARY BY ART CANFIELD
JUNE 9, 2014

Republican Platform 2012

- **Directly Quoted from Page 18:**
- “...Congress should reconsider whether parts of the federal government’s enormous landholdings and control of water in the West could be better used for ranching, mining or forestry through private ownership. Timber is a renewable natural resource, which provides jobs to thousands of Americans. All efforts should be made to make federal lands managed by the U.S. Forest Service available for harvesting. The enduring truth is that people best protect what they own.”
- Of course, the enduring truth of history is that such policy results in the ownership of all these lands by wealthier individuals and large corporations, who protect what they own by excluding freedom of public access. Obviously, this is the national Republican Party goal.
- We the people need now to elect political representatives who will fight to **”Keep Public Lands in Public Hands!”**

H.R. 1526

3

- **H.R. 1526 “Restoring Healthy Forests for Healthy Communities Act”** is a Republican sponsored bill that was passed by the U.S. House of Representatives in September, 2013, with 93% of the “yea” votes being Republican.
- The bill is currently residing in the U.S. Senate, where it will likely not be brought to a vote while Democrats remain in control in 2014 and later.
- The bill was sponsored by Representative Doc Hastings (R,WA), Chairman of the House Committee on Natural Resources and supported by 22 co-sponsors, all Republican, including Steve Daines (R,MT).

H.R. 1526 Summary



- The bill would give the States the authority and ability to unilaterally manage potentially unlimited tracts of federal lands, without consultation with federal agencies or public involvement.
- The federal government, however, would retain title to federal lands and would remain responsible for management costs and revenues.

H.R. 1526 Summary

5

- Despite the bill's statements of legal denial of intention to limit public access, the bill would require a minimum annual timber harvest in Montana's National Forests, totaling 3.8 million acres, which is triple the current level and would in its very nature substantially reduce public access for hunting, fishing and other outdoor activities.
- In addition to the required minimum prime timber harvesting in National Forest lands, the bill would give State Governors the ability and obligation to designate potentially unlimited additional public lands as "High Risk Areas", requiring immediate remedial actions. These areas would be identified as posing actual or expected threats to communities or serious degradation of public lands and wildlife arising from overgrowth or beetle-kill. Immediate remedial actions would include additional timber harvesting, increased livestock grazing and clearing of wildfire fuel materials.

H.R. 1526 Summary

6

- The bill would create Community Forest Management Demonstration Areas (Title IV.) of at least 200,000 acres and up to 900,000 or more acres of National Forest System lands in counties whose boundaries include them.
- These Community Forest Management Demonstration Areas would be removed entirely from federal authority, but the Department of Agriculture would remain responsible for related expenses.
- The Community Forest Management Demonstration Areas are to be managed by local “Advisory Committees” appointed by the State Governor.
- The Advisory Committees are charged with establishing best management practices directed toward clean water, soil quality, wildlife or forest health, resulting in sustainable forest management.
- The limit on Community Forest Management Demonstration Areas is 4,000,000 acres in each state!

H.R. 1526 Summary



- The bill's required minimum National Forest lands timber harvest together with the Community Forest Management Demonstration Areas would potentially include 7.8 million acres of the total 11.4 million acres of non-reserved National Forest System lands in Montana.
- The State Governor's authority to declare "High Risk Areas" could very well include the remaining acreage, putting 100% of Montana's National Forest lands under State control!

H.R. 1526 Summary

8

- By the scale involved, this timber harvesting and other required forest management activities would of necessity be carried out by private commercial interests, under State control.
- Public access would certainly be impeded and limited by this massive scope of private commercial activity.
- **A form of privatization of public lands!**

H.R. 1526 Summary



- The bill would impede compliance with NEPA and the Endangered Species Act (ESA) requirements. (Title II.)
- The bill creates exceptions to and potentially exemptions from the application of the Clean Air Act, the Federal Water Pollution Control Act and the ESA. (Title IV.)
- The bill seeks to impede any outside litigation, by requiring that any plaintiff must post a security bond in advance covering the total expected costs of government agencies involved.
- The bill would prevent the U.S. President from declaring any additional National Monuments.

H.R. 1526 Summary

10

- The increase in timbering and associated road building would damage wildlife, natural water flows and the local terrain, including neighboring Wilderness Areas, Wildlife Management Areas and National Parks.
- Moreover, the massive required timber harvesting is simply not commercially viable for the foreseeable future, leaving taxpayers with the bill for the benefit of private interests, while greatly limiting access to their own public lands.

H.R. 1526 Premise

11

- **Premise of the bill:**
- Proponents argue that the States can do a much better job of managing federal lands.
- They say that timbering levels have fallen greatly because of “fringe environmentalists” succeeding in gaining protections, coupled with Washington bureaucratic incompetence.
- They point out that the National Forest System has operated at a loss for the past several years, while the forests have become clogged with overgrowth and beetle-kill, resulting in huge wildfire danger to private homes and communities. All due to mismanagement and environmental protections against logging.
- Jobs have been lost.
- Local counties which include National Forest lands within their borders have as a result seen greatly reduced payments under existing law for their 25% portion of timber revenues, resulting in poorer schools and communities.

H.R. 1526 Premise vs. Facts

12

- The truth is that U.S. Forest Service competence and environmental restrictions are not the causes of the last several years' operating losses or the reduction in public lands timber production during that time in Montana.
- The major factor is the huge decline in the housing market for timber products arising from the "Great Recession", coupled with the large increase in forest fire numbers and severity due to climate change drought and related beetle-kill.
- The costs of fire control far outweigh the available revenues from timber production, which will likely continue into the future as the housing market slowly recovers, probably never reaching the levels of the "housing bubble", which collapsed in 2007.

H.R. 1526 Premise vs. Facts

13

- Today it is simply not logistically possible, nor is there budget available, to clear all overgrown and damaged federal forest areas, or even all of those which may threaten communities or endangered wildlife.
- The market revenues from non-prime overgrowth and beetle-kill don't even come close to their costs of removal and there isn't enough demand for log-quality timber to cover costs either.
- The industry reports that Asian markets, including China, continue to source their timber from North America mainly in Oregon, Washington and British Columbia, all with great supply and lower transportation costs. Higher transportation costs are an effective barrier to sourcing from Montana.

H.R. 1526 Premise vs. Facts

14

- **Jobs:**
- Premise - Republican proponents of the bill in Montana have claimed that the bill will increase the state's timber related jobs by 7,000.
- Given that timber industry employment in Montana is currently about 6,500, together with the fact that National Forest lands production is only 38% of the total, that claim alone would require nearly a tripling of timber harvesting on those public lands.
- As you will see, the bill's required minimum timber harvest on Montana's National Forest lands would total 300% of the actual harvest.
- Given that the market won't support these levels, the alternatives are to continue at current levels, or to cut as much of the required increase as possible and leave it stacked on the ground.
- This doesn't do much to increase employment or reduce fire hazard, but it does cost the taxpayer greatly.

H.R. 1526 Required Timber Harvest

- The bill requires that the Secretary of Agriculture designate one or more “Forest Reserve Revenue Areas” (FRRA) which total at least 50% of the National Forest System lands in each unit identified as commercial forest land capable of producing at least 20 cubic feet of timber per acre per year.
- According to the Montana Wood Products Association, that includes virtually all of the National Forest Land in Montana. (This excludes Wilderness areas, Monuments and National Parks.)
- The bill requires that at least 50% of the “sustainable yield” timber in each Forest Reserve Revenue Area be harvested annually. (Sustainable yield means that the volume of wood removed will be equal to annual growth.)
- This means that the bill requires that at least 25% of the “sustainable yield” of National Forest lands in Montana be harvested each and every year. The next three slides show that **timber harvest will have to triple on National Forest lands.**
- **Good luck in pursuing your hunting, fishing and other outdoor activities on National Forest lands in Montana!**

H.R. 1526 Required Timber Harvest

16

Montana Forest Acreage - 2011

(non-reserved is available for harvest)

Non-Reserved Forest Acres	<u>Millions</u>	<u>Percent</u>	<u>Total Percent</u>
U.S. National Forests (Public)	11.4	60.0 %	50.7 %
Other Public (BLM, State & Other)	1.6	8.4 %	7.1 %
Private	<u>6.0</u>	<u>31.6 %</u>	<u>26.7 %</u>
Total Non-Reserved	19.0	100.0 %	84.4 %
Reserved Forest Acres- Wilderness, National Parks, Monuments	<u>3.5</u>		<u>15.6 %</u>
Total Montana Forest Acres	<u>22.5</u>		<u>100.0 %</u>

H.R. 1526 Required Timber Harvest

17

- The U.S. Forest Service estimates that sustainable annual growth on a total 19,874,000 acres of non-reserved timberland in Montana is 2,100 million board feet (mmbf). (2009 figures).
- Assuming uniform growth, the National Forest lands would provide a sustainable yield of 1,260 mmbf, at 60% of the state's total non-reserved timberland. (2011 figures).
- The bill's minimum requirement for annual harvest would be 25%, or 315 mmbf.
- The latest harvest figure on National Forest land in Montana was 134.2 mmbf. (2011). However, 65% of that harvest was fuel-wood and non-sawlog material from salvaging dead timber and forest fire fuel reduction treatments, which are excluded from the bill's minimum harvest.
- That leaves 47 mmbf as the qualifying harvest, versus the minimum requirement of 315 mmbf.
- National Forest land harvest would have to increase by 268 mmbf.

H.R. 1526 Required Timber Harvest

18

- Montana's annual sustainable timber yield of 2,100 mmbf over 19,874,000 total non-reserved acres provides a usable harvest per acre formula, assuming even production among units. (2009 figures.)
- The National Forest lands actual harvest of 134.2 mmbf would require logging of 1,270,833 acres, or about 11.1% of the total National Forest non-reserved acreage of 11.4 million. (2011 figures.)
- The bill's minimum additional harvest of 268 mmbf would require 2,537,879 acres, or about 22.3% of the total.
- **The bill's total required National Forest lands harvest would be an estimated 3,808,712 acres, which is triple the latest actual production data (2011) and comprises 33.4% of the total non-reserved National Forest lands in Montana.**
- Add in to that figure the additional land needed for logging traffic roads and log staging areas and **there will be a substantial increase in effective permanent privatization and reduction in public access, probably totaling at least 40%!**

H.R. 1526 What's Next?

19

- Considering the total potential control and authority over National Forest lands given to the States by H.R. 1526, the States may next decide that a sale or lease of at least some of these lands may be necessary in order to achieve their management goals, especially since market conditions make substantial increases in timber cutting economically infeasible.

H.R. 1526 What's Next?

20

- What other **private ownership uses of public lands** would lead to the goal of better financial utilization and management?
- Increased mining and fracking for oil and natural gas.
- Increased livestock grazing.
- Providing outfitters with large exclusive leases, requiring better land management for paying-client game animal hunting.
- Providing private-interest capture of pure headwaters for commercial water distribution. Water is said to be the “next gold”. Montana is home to many such headwaters, rivers and streams on National Forest and other public lands.
- Providing developers with access to construct exclusive, well-managed resorts, estates, condominiums and homes for wealthy individuals and large corporations.

H.R. 1526 What's Next?

21

- Is it possible that States could sell or lease federal lands without owning title?
- While probably a long-shot, eventual passage and signing of H.R. 1526 might offer States sufficient management authority to do so.
- This might be analogous to corporations whose officers and directors have authorization by Corporate Charter and By-Laws to utilize, buy, sell, lease or scrap company assets without personally holding title.
- Alone, or with legislative approval, the State Governor might issue an executive order authorizing the sale or lease.
- While this action would undoubtedly be legally challenged, probably successfully, if enough States passed similar transfer measures, requests and challenges, the hope is that pressure would build to bring about federal legislation to actually allow title transfer to States and then to private ownership.
- H.R. 1526 provides a major first step in that process.

H.R. 1526 What's Next?

22

- An official national Republican Party goal is to achieve private ownership of public lands.
- They say so in their Party Platform.
- Their candidates for political office, including those in Montana, have publicly declared their willingness to sell public lands.
- Ordinary citizens need to be aware of the real threat to their public lands access that has already begun.

This is a High Priority!

23

- We must research each candidate, in any party, to see where they stand on H.R. 1526 - “Restoring Healthy Forests for Healthy Communities Act”, and vote to protect our Federal Public Lands from private ownership.
- Do not be deceived by fine sounding arguments that conceal privatizing objectives.
- We need to elect political representatives who will fight to “**Keep Public Lands in Public Hands!**”

H.R. 1526 Bibliography

- The text of H.R. 1526 www.beta.congress.gov
- Office of Management and Budget, Statement of Administration Policy, H.R. 1526 Restoring Healthy Forests for Healthy Communities Act www.whitehouse.gov/omb
- Congressional Budget Office, Cost Estimate H.R. 1526 (PDF), www.cbo.gov
- “Montana’s Forest Products Industry and Timber Harvest, 2009 (PDF), Resource Bulletin RMRS-RB-16, U.S. Forest Service, www.fs.fed.us/search

H.R. 1526 Bibliography

- “Montana Forests – Forests Should Be for Everyone”, Montana Wood Products Association, www.montanaforests.com
- “Montana’s Forest Products Industry”, Wood Products Outlook, Forest Products and Manufacturing, Bureau of Business and Economic Research, www.bber.umt.edu
- “Glossary of Forest Terms”, www.dnr.state.md.us/forests/gloss

Arthur G. Canfield Biography

26

- Birthplace: Minneapolis, Minnesota
- Residence: Lewistown, Montana
- Education:
 - B.S.B.A. University of Minnesota – Finance, Economics
 - M.B.A. Northwestern University, Evanston, Illinois
 - Finance & Accounting
- Retired - Formerly Chief Financial Officer of two medium size manufacturing corporations
- Lived and worked overseas for ten years – extensive U.S. and foreign travel
- Veteran – U.S. Army Mechanized Infantry, Scout/Recon
- Hunter & Angler, Member of Trout Unlimited and Pheasants Forever