Testimony before the Federal Land Action Group
Prepared by Gordon L. Cruickshank
Commissioner Chairman, Valley County, Idaho
October 26, 2015

# Impacts to Counties and Proposed Options to Manage National Forest Lands

Good afternoon members of the Federal Land Action Group.

Thank you for the invitation to speak here today. My name is Gordon Cruickshank and I am a lifelong resident and county commissioner in Valley County, Idaho. Prior to becoming a commissioner, I worked for the Valley County Road Department for sixteen years with the last ten of those years as the Road Superintendent. Valley County is located in central Idaho. The county seat is Cascade, which is located approximately 80 miles north of our state capital, Boise. Valley County maintains over 750 miles of roadways including access routes into the National Forest. Our county has a population of 9,862 full time residents. Valley County is 2,354,048 total acres with only 221,151 acres, less than 10 percent, in private ownership.

When the National Forests were created over 100 years ago, the Federal Government sold the idea of public ownership of forest lands by promising a steady supply of natural resources produced from the Forests, especially timber harvest. In addition to timber harvest benefiting my region of Idaho, mining and grazing are also economically important activities that occur on our National Forest lands.

As the Federal Land Action Group continues its work to gather expert input and develop legislative proposals for encouraging local control of public lands, I want to leave you with two points.

1. Current land management practices fail to meet the ecological and economic needs of our public lands and communities.
2. Community Forest Trusts, as proposed by several forested counties in Idaho, can serve as a model to promote more active and sustainable management of all federal lands.

**Current land management practices fail to meet the needs of our public lands and communities.**

The first way that current land management practices fail to meet our needs is through drastic reductions in economic activity. Historically, federal timber receipts generated from the National Forests provided critical funding necessary to maintain our county roadways and to support our local education systems. In prior years, our West Central Idaho region had four major sawmills and one small sawmill. As timber harvests declined in the 1990's and into the 2000's, many mills closed their doors, taking with them many local jobs and leaving our West Central Idaho region economically imperiled. Today, only one sawmill remains in our neighboring county and at times it has been questioned if the mill would remain open. More generally, since 1990, there has been an 80% reduction of timber harvesting on all federal lands in the United States.[1] This translates into the closure of many sawmills and the elimination of many local jobs not only in Idaho.

For many years, communities, the timber industry and the federal government have worked together to maintain a sustainable and economically viable timber harvest. In Valley County and Adams County, Idaho, when concerns were raised regarding the compatibility of certain harvest techniques with the forest landscape, the community and industry came together and found a solution. My understanding was the solution provided a 400,000 acre timber-producing area in the Payette National Forest in which sustainable timber harvests would continue

[1] U.S. Forest Service. (2013). Forest Management: Cut and Sold Reports. Retrieved from http://www.fs.fed.us/forestmanagement/products/sold-harvest/cut-sold.shtml.

while reducing or eliminating timber production on the remainder of the timber lands on the Payette National Forest.

When I attended a meeting to discuss timber harvest in this 400,000 timber acre area, the Forest Service personnel told us that the area grew approximately 80 million board feet of timber per year. In order to assure sustainable harvests far into the future, communities and the timber industry voluntarily limited timber harvest up to 50 million board feet per year, enough to provide a steady supply of forest products to local mills that would be sustainable over the long term. In short, the communities understood the importance of responsible management of our natural resources and we were willing to make the tough decisions necessary to ensure their long-term viability and sustainability.

Unfortunately, due to litigation or threats of litigation by outside interests, timber production, off the Payette National Forest, that we worked so hard to make possible is in jeopardy. In recent years, the Forest Service has been unable to reach even a reduced 20 million board feet target. When I asked the Forest Service what would happen to the remaining 60 million board feet of capacity that is not being harvested from our forest production area, to my dismay, the answer I received was, "It will Burn." That is the result of this excess capacity not being actively managed and harvested.

The second way that current land management practices fail to meet our needs is through increased wildfires. This year, wildfires are on the minds of Americans more than ever. The current conditions of our public lands contribute to catastrophic wildfires and are a direct result of land mismanagement by the federal government. During 2015, counties in central Washington lost multiple homes and businesses due to wildfire. In Idaho, multiple wildfires burned over 750,000 acres,[2] destroying critical Sage Grouse habitat, grazing acres for livestock producers, and over 80 homes.

[2] Incident Information System. (2015, October 14). Current Incidents. Retrieved from http://inciweb.nwcg.gov/

This state of affairs is nothing new. The story is the same in many regions across the country. Until 1994, western states (Arizona, California, Colorado, Idaho, Montana, New Mexico, Nevada, Oregon, Utah, Washington, and Wyoming) experienced 3 million acres of wildfires only once in 1919, and then once again in the 1980s. Since then, these same western states have suffered over 5 million acres burned in 2000, over 4 million in 2002, over 6 million in both 2005 and 2006, over 4 million in 2011, and then over 7 million in 2012.[3]

Is "catastrophic" the new normal for wildfires? I and my constituents refuse to accept that multiple homes should be lost each year due to catastrophic wildfires caused by poor land management practices.

Catastrophic wildfire impacts all Americans by increasing insurance costs, impacting air quality and forever altering our landscapes. Most importantly wildfires impact families' livelihoods, destroying everything they have worked so hard to build and maintain.

The impacts of inactive land management decisions aren't limited to fire season. Current land management practices end up reducing SRS payments as well. The Valley County Road Department is funded in part by the National Forest Timber Receipt Program, otherwise known as "25 percent payments." Using the average from prior years of actual timber harvest, this provided approximately 56 percent of our annual roads budget is funded by revenues generated on public lands. Historically, forestry receipts and revenue from the state transportation dollars provided sufficient revenue to my county to support maintaining and reconstructing our roadways, replacing bridges, and undertaking the general operations of the Road Department. As the Road Superintendent, I witnessed firsthand how the decline in timber harvests and how those declines impacted my county's ability to provide critical services to residents. As timber production

[3] O'Laughlin, Jay. (2013, October 9). Wildland fire management: Are actively managed forests more resilient than passively managed forests? Issue Brief No. 15. Moscow, ID: University of Idaho. Retrieved from http://www.uidaho.edu/cnr/pag/publications/pag-issue-briefs.

declined to record lows, the mills closed, local jobs were lost and our community's ability to maintain its transportation infrastructure diminished.

To assist forest communities suffering the economic losses of decreased forest production, Congress created the Secure Rural Schools (SRS) program. To me, the creation of the SRS program is a sign that Congress recognized the consequences that local communities face due to the federal government's mismanagement of our federal forests. However, due to changes in the program's authorization over time and the impacts of sequestration, even this critical safety net funding program is drying up. Today, while working with a smaller budget for road maintenance, Valley County receives less funding from the SRS program. The percentage now, from SRS payments, is approximately 42 percent of our road budget, while we still attempt to maintain services to the residents with less funding.

As a Commissioner, I receive numerous calls from residents asking why their roadways are no longer maintained as they have been in the past. This decline of roadway maintenance can be tied directly to federal land management decisions and litigation which have reduced the timber harvest and forest revenues. As a result of the reduction in revenue very little can be done to increase maintenance and improve the roadways. Today, the Road Department has not filled vacant positions and reduced its workforce by 30 percent. While there have been opportunities for my county to compete for infrastructure grants, many grants have matching fund requirements. Matching those funds up front away from the general operations fund, limits the delivery of other critical county services.

With the decline in timber harvest, reduction of the SRS payments and the ever growing threat of catastrophic wildfire looming over our communities, something must be done to protect counties. New and, creative solutions to improve the health of our public lands and promote economic prosperity in public land communities must be implemented.

**Community Forest Trusts can serve as a model to promote more active and sustainable management of all federal lands**

The optimum healthy forest will contain an average of 70 to 120 stems, or standing trees, per acre. However, if you look at our forests today the amount of stems per acre is three to four times above the healthy levels. Today, I want to share with you one option developed by a group of Idaho counties to improve the vitality of our federal lands and forest communities.

In 2011, because of growing frustration over the management by the Forest Service, I and four other commissioners from Boundary, Clearwater, Idaho and Shoshone counties in Idaho, sat down and discussed options to better manage the National Forest in our state. Our proposal is called a Community Forest Trust (CFT). I have included a copy of the CFT proposal with my testimony and ask for it to be included as part of the record for this meeting. The CFT concept seeks to have the forestry division of our state's Department of Lands manage a pilot program of 200,000 acres of suitable timber lands from the national forest lands in Idaho. Although our proposal focused on improving forest management in Idaho, I believe it can be applied to many different landscapes across the United States.

The CFT model aims to identify small blocks of productive timber lands that can be managed by local forestry offices and overseen by a Community Forest Trust Board consisting of five elected county commissioners from the counties with the most significant proportion of federal forest land within the state. By nesting the management responsibilities within an existing state agency, the model eliminates the need to create a new agency for CFT land management. The forestry professionals already retained by the local forestry offices would handle the day to day operations. The CFT Board would provide oversight of the operations and work to insure that the lands are being managed for the benefit of county governments and local communities.

With 20 million acres of timber lands in Idaho, our concept was to work with the Idaho Department of Lands and the U.S. Forest Service to identify 200,000 acres, one percent of Idaho's federally owned timber lands, to be included in our pilot project. Lands could only be identified as part of the CFT if they met the following criteria:

1. Roadless lands identified in the Idaho Roadless Rule could not be included in the CFT pilot project.
2. Selected lands had to be contiguous "blocks" efficiently sized for management purposes.
3. Consistent with the purposes of the Community Forest Trust concept, preference would be given to lands that were within the Wildland-Urban Interface (WUI) or otherwise identified by counties as critical for community protection, are classified as forest health condition Class 2 or 3 by the Forest Service, and whose management under a CFT would be consistent with management goals for listed endangered species.

CFT lands would remain the property of the United States government and the federal government would retain responsibility for firefighting on CFT lands because the current fire risk exists as a result of current management practices. Over time, firefighting expenses will decline. CFT lands would be managed in trust for county governments under the environmental laws of the state. CFT lands would also have to be managed in compliance with a resource sustainability plan aimed at ensuring long term productivity and viability of the area. Public access would be authorized in a manner that balances access and use with long term environmental management goals.

In order to fund this proposal, CFT land management costs would be deducted from the revenue earned from land management activities and paid back to the Idaho Department of Lands. Net revenues generated from management of the Community Forest would be pooled and distributed to the counties through a formula agreed to by the counties. The SRS payments to the participating counties would be reduced by the payments that the counties receive through

the CFT. However, any net revenue generated from the Community Forests would not impact county payments under the Payment in Lieu of Taxes (PILT) program.

As we considered our proposal, it was important we ensured that whatever we proposed be economically viable as well as environmentally sustainable. We determined that forest lands operated by the Idaho Department of Lands Forestry Division under their regular management practices consistently returned positive revenues to the State of Idaho. Additionally, our group examined a 194,000 acre forest plot in Idaho that is managed under similar conditions to those we were proposing. The area had a historic growth rate of 50 million board feet on average. Based on its sustained 30 million board feet per year harvest, we calculated, after expenses, these 194,000 acres in their healthy condition, would provide $3.7 to $4.5 million annually in revenue.

Although a little over $23 million in revenue would be necessary to fully offset Idaho's Secure Rural Schools payments, responsibly managing less than one percent of the timber lands in Idaho have the potential to generate revenue to offset over ten percent of our current SRS payments. Increasing the acreage of responsibly managed land would further decrease county dependence on Secure Rural Schools payments.

Since this group of Idaho commissioners developed our proposal, we have spent considerable time educating stakeholders and developing community support. We have presented to the Montana Forested Counties Committee, the Washington Forest Counties Committee, the Idaho Association of Counties, the Western Interstate Region Board of Directors, the Public Lands Committee of the National Association of Counties, and numerous local Chambers of Commerce in my local area, all of which positively responded to the concept. When an Interim Committee of the Idaho Legislature that was studying Federal Land Transfers, I presented the CFT to the Committee as a potential alternative to wholesale transfer of federal land ownership.

We have worked closely with Congressman Labrador as he developed his legislation, the Self-Sufficient Community Lands Act. That Act would establish a program which, like our CFT proposal, would take a management-based approach to generate dependable economic activity for counties and local governments containing National Forest System land. I would like to thank Congressman Labrador for his leadership on this important issue.

The current regime of inaction in federal land management is not working. It is endangering the ecological health of our treasured landscapes and the economic health of our communities. Counties in my state have come together to develop a better way forward to meet the needs of our lands and our communities. I hope the Federal Lands Action Group will consider the Community Forest Trust model as it works to develop proposals to promote local control in public lands management.

Thank you for the opportunity to come here today to share my perspective on an alternative solution for management of our federal lands and I look forward to taking questions from the group.

# Community Forest Trust

A Pilot Project to Compliment

Secure Rural Schools and Community Self Determination Act Reauthorization

July 26, 2011

Proposed by:

Boundary County, Idaho
Clearwater County, Idaho
Idaho County, Idaho
Shoshone County, Idaho
Valley County, Idaho

## Summary

Idaho counties with significant federal lands inside their borders are proposing a Community Forest Trust pilot project in Idaho. The pilot project will provide a pathway for counties to successfully transition away from federal transfer payments under the Secure Rural Schools (SRS) Act. The proposal is for Community Forests to be designated from federal forest lands within Idaho and managed in trust by the state for the benefit of county governments and local communities. Professional forest management would be provided by the Idaho Department of Lands under the environmental laws that apply to all Idaho state forest trust lands. Proceeds from management of the Community Forest Trust lands would be distributed to counties receiving Secure Rural Schools funding in lieu of transfer payments from the federal treasury, after having first reimbursed the Idaho Department of Lands for land management costs. Management of the Community Forest Trust lands would be overseen by an Idaho Community Forest Trust Board consisting of five elected county commissioners from the counties with the most significant proportion of federal forest land within the state.

## Background

The U.S. Congress has perpetually recognized special obligations to local governments and communities where the federal government has extensive land ownership. When federal forests were first established, the premise and promise was that local communities would welcome federal ownership as they would benefit both from the economic activity on federal forest lands and would receive a portion of the revenues generated from the sale of timber and other resources on those federal lands. Federal law required that 25% of the receipts from national forest resource sales be returned to the counties where those lands were located.

Beginning in 2000, the U.S. Congress recognized that revenues from national forest activities had declined significantly and moved to meet the obligation to local governments and communities by enacting the Secure Rural School and

County Self Determination Act (SRS). This law established transfer payment schedules for federal monies to be paid from the U.S. Treasury directly to the counties, proportionate to funds lost from timber harvest revenues, in order to meet the obligations of federal ownership. Since 2000, this law has been reauthorized twice and is now up for reauthorization again.

The SRS funding was always intended to be an interim measure that would be in place only until new programs on federal forest lands were established that would provide reliable and sustainable revenue to local counties. That transition has not come to pass. Instead, federal forest management has declined, and with it, so too has the revenue to the U.S. treasury and local counties. New Forest Service programs targeted at landscape level forest restoration and fuels reduction have faltered or not come to fruition.

This paper outlines a new way to restore much needed forest management on federal land as well as a way to generate a more reliable source of revenue for counties in Idaho that have historically depended on receipts from federal forest management activities. Authorizing a Community Forest Trust in Idaho will advance a reliable, sustainable and environmentally responsible forest management process that will also provide revenue to county governments to help pay for schools, road maintenance and other essential services.

## Community Forest Trust

The Community Forest Trust concept is offered as a long term solution to meeting the federal government's obligations to counties and communities with federal lands inside their borders. The goal ultimately is for the U.S. Congress to designate specific federal forest lands within Idaho as a Community Forest Trust that would be managed in trust for local counties and communities. Professional management of the Community Forest would be provided by the state's professional land management agency, the Idaho Department of Lands, for the legislatively defined purposes of supporting county governments and providing sustainable forest stewardship. The Community Forest Trust lands would remain the property of the United States government but would be managed in trust for

county governments under environmental laws as they apply to state lands. Elected representatives from the federal land counties would be appointed by the Governor to a Community Forest Board that would ultimately be responsible for land management decisions. Management costs would be deducted from the revenue earned from land management activities and paid back to the Idaho Department of Lands.

Net revenue generated from management of the Community Forests would be pooled and distributed under a mutually agreeable distribution formula to all counties within the state that are currently receiving SRS funding. These payments would offset any SRS payments from the federal government. Further, any net revenue generated from the Community Forests would not impact other county payments under the Payment in Lieu of Taxes (PILT) program.

## Requirements

Sustainability: Community Forests will be required to have a resource sustainability plan and must be managed to protect the long term productivity of soil and water.

Public access: Public access will be provided to all Community Forest lands in a manner that best facilitates access and use and that protects environmental values.

Environmental Laws: Environmental laws will apply to the management of the Community Forest lands as they are applied to the management of forest lands managed by the State of Idaho.

Wildfire: The federal government will retain firefighting responsibility for the Community Forest Trust lands.

## Environmental Standards

Each of the counties proposing the Community Forest Trust concept is currently engaged in ongoing multi-stakeholder collaborative efforts on federal land projects that include Native American tribes and environmental organizations.

The Community Forest Trust Board and individual participating counties will seek advice from established collaboratives and/or functioning Resource Advisory Committees (RACs) on how Community Forest Trust land management programs can best accomplish support for counties, communities and multi-stakeholder interests that are consistent with the purposes of the Community Forest Trust concept.

## Community Forest Trust – Pilot Project

The immediate proposal is for the U.S. Congress to approve a 200,000-acre Community Forest Trust pilot project in Idaho to demonstrate how the project would function and to evaluate and fine-tune the concept. The pilot would continue for at least five years or for the duration of the next SRS reauthorization, whichever is longer.

Monitoring: Effective environmental and performance monitoring is key to the success of the Community Forest Trust pilot. Idaho State Best Management Practices (BMPs) and water quality monitoring programs will be required on all Community Forest Trust pilot lands in the same manner that they occur on existing state forest lands. Further, the Community Forest Trust Board will consider and implement additional monitoring programs that they determine necessary to properly evaluate the pilot program. Implementation of these monitoring activities will also be funded by revenue generated through Community Forest Trust management activities.

Other monitoring programs from federal government and/or other third party interests are encouraged and permitted provided that the program designs are approved by the Idaho Department of Lands and the Community Forest Trust Board and that independent funding is provided.

## Designation of Community Forest Trust Lands

The designation of lands included in the Idaho Community Forest Trust pilot project will occur by federal law as part of the SRS Act reauthorization. The Idaho

Department of Lands will use Forest Service data and recommendations to identify lands that best meet the purpose of the Community Forest Trust pilot.

The following criteria will apply:

1. Roadless lands identified in the Idaho Roadless Rule cannot be included in the pilot project unless they are classified as General Forest by the Rule.

2. Selected lands will be in contiguous "blocks," efficiently sized for management purposes and among the Idaho counties with established Idaho Department of Lands management offices. To the extent practicable, lands will be selected that include different forest types and landscape conditions to evaluate differing opportunities within the state.

3. To the extent consistent with the purposes of the Community Forest Trust concept, preference will be given to lands that meet the following criteria:
    a. Are within the Wildland-Urban Interface (WUI) or otherwise identified by the counties as critical for community protection.
    b. Are classified as forest health condition Class 2 or 3 by the Forest Service.
    **c.** Are consistent with management goals for endangered species.