



# Partnership for Rural America Campaign

An Initiative of: National Forests Counties & Schools Coalition

## Maintaining the Partnership Today...and in the Future

### Creating Jobs in Rural Forested Counties

In rural forested counties little land is available for private enterprise. Further, these lands have been permanently removed from the counties tax base, and under current public land management policies the majority of economic activity is precluded. This comes at a time when rural forested counties have been hit extraordinarily hard by the recession – where unemployment rates far exceed those experienced in other parts of the nation. The campaign believes it is more important than ever that we commence serious discussions about the jobs and economic activity that should occur on these public lands. Dollars generated by better managing these lands, where economic activity can occur, is crucial to supporting budgets for schools, road maintenance, fire wise community programs, and emergency services as well as offsetting the federal government's financial obligations under the terms of the existing "partnership". On the issues below, many constituents and trade associations will have greater expertise on the subject matter, and therefore we look forward to collaborating further:

***Fix the Biomass Definition:*** Forest biomass must be recognized as a reliable source for development of domestic renewable energy. Yet, in a move harmful to the economies of rural forested counties, a very restrictive definition of "biomass" was added to energy legislation in Congress 2007 that precludes the use of forest biomass from public lands in the context of the federal renewal fuels mandate. Since then, EPA concluded that there is "scientific consensus...that the carbon dioxide emitted from burning biomass will not increase CO2 in the air if it is done on a sustainable basis." This position is supported by the IPCC, the Energy Information Administration, the World Resources Institute and other credible scientific sources.

Renewable energy markets for forest biomass materials give rural forested counties additional economic activity, jobs and revenue. America's well-managed forests will play an important role in meeting U.S. energy needs in the future. For instance, in Lake County, Oregon the biomass facility under construction by Iberdrola will create 68 new full-time jobs, invest \$70 million in the local economy and power 18,000 homes when completed in 2012.

Congress should encourage investment in forest management and restoration, which would allow for a reliable source of renewable fuel and electricity, by establishing a non-restrictive definition of forest biomass eligible for use in renewable fuel program.

***Expedite Harvest of Trees Killed by the Beetle Infestation:*** Pine beetle infestation in the US has already killed millions of acres of lodgepole pines in the Western US forests. Scientists expect that more than 20 million acres of forests in the US will be impacted, resulting not only in the loss of timber and forests, but also significantly increasing the threat of catastrophic wildfire. The Western Forestry Leadership Coalition (WFLC), a partnership of state and federal foresters, was created in part to answer management issues such as these that involve many agencies and cross multiple boundaries. The WFLC recommends a four-pronged approach to the management of forest impacted by bark beetles, including prevention through forest-thinning, suppression through harvest, trapping and spraying of affected trees, restoration, and research. These efforts are also needed in southern forests to prevent an outbreak of the southern pine beetle from starting on federal lands and encroaching on private lands.

For these catastrophic events, it is crucial that the BLM and the Forest Service expedite recovery and management on these impacted areas to hasten restoration, create jobs and provide a supply of raw material. The threat of wildfires is dire, risking homes, power lines and water quality. Congress should pass emergency measures to hasten BLM and Forest Service thinning and harvest projects in impacted forests.

**Mandate the use of emergency arrangements under NEPA for Catastrophic Events:** The Council on Environmental Quality (“CEQ”) regulations implementing the National Environmental Policy Act provide for agencies to develop “alternative arrangements” to address “emergency circumstances” which require prompt action before a full environmental analysis can occur. 40 C.F.R. §1506.11. The regulation provide: **Emergencies:** Where emergency circumstances make it necessary to take an action with significant environmental impact without observing the provisions of these regulations, the Federal agency taking the action should consult with the Council about alternative arrangements. Agencies and the Council will limit such arrangements to actions necessary to control the immediate impacts of the emergency. Other actions remain subject to NEPA review.

As explained below, salvage of damaged timber over a large area has qualified for alternative arrangements in the past. This controls the threat of future fire and spread of insects to protect property and natural resources. Since 1998, the CEQ has used the emergency circumstances regulation and approved alternative arrangements numerous times to remove dead trees from forests damaged by windstorms, ice storms, and fires:

- Following a devastating windstorm in Texas that blew down 103,000 acres of timber in east Texas in 1998. Within 30 days CEQ authorized alternative arrangements and immediate salvage of 270 million board feet of timber toppled by the storm.
- Following the July 4, 1999 blowdown of timber on the Superior National Forest in Minnesota across 477,000 acres, alternative arrangements were approved to reduce fuels posing the highest risk to homes, resorts and visitor lodges. At least 1,450 acres of timber were sold under the alternative arrangements to reduce high fuel hazard.
- Following the Los Alamos fire in 2000, the Department of Energy used alternative arrangements for rehabilitation, including stabilizing soils, improving, replacing and installing culverts, and removing dead and damaged trees.
- An ice storm was the basis for alternative arrangements on the Ouachita National Forest. In December 2000, a major ice storm hit approximately 340,000 acres in the Ouachita Mountains which closed state highways and county roads. The Forest Service obtained approval of alternative arrangements from CEQ for actions on about 66,000 acres to reduce fuels and the risk of wildfire in the areas posing the greatest threat to public safety and private property.
- The Forest Service also successfully used alternative arrangements for restoration treatments in 2002 following tornados in Missouri that damaged a 10,000 acre area of intermingled ownership in the Mark Twain National Forest.

Congress should pass legislation that mandates alternative arrangements on any catastrophic event, including wildfires, exceeding 10,000 acres in size on National Forests.

**Expedite Land Exchanges with New Authority:** BLM and the Forest Service manage countless blocks of land in a checker-board pattern. Often these parcels are ideally suited for local community use such as commercial development. Private landowners often own land with high ecological value that could be swapped with the federal government, increasing contiguous habitat for the BLM and the Forest Service and freeing up land better-suited for local development. Yet, these land exchanges often take many years to pass Congress. Congress should pass an expedited land exchange authority for small parcels, using a community consensus public process to ensure suitability.

**Shed the Forest Service of “Orphan” Properties that Sit Unused in Urban and Suburban Areas:** The Forest Service previously proposed shedding its inventory of lands of orphan parcels that are in urban or suburban areas, detached from their larger forested areas. These properties are not central to the mission of the Forest Service. Some critics of the prior proposal worried that the list of orphan properties included some parcels that were of high ecological value. A better screening system is needed to ensure that the parcels to be sold are truly inconsequential to the Forest Service mission, such by including the public and other resource agencies (e.g., the State Fish and Game Agency and the U.S. Fish and Wildlife Service) in a joint selection process. The sale of the orphan parcels would generate revenue for a special account to provide an offset for the SRS legislation. In Southern Nevada, the joint selection process under SNPLMA has allowed BLM to sell holdings in and around Las Vegas generating over \$3.0 billion in revenue for use in Nevada. The Forest Service owns 193 million acres of forests and grasslands, and some parcels that are neither forests nor grasslands. This proposal would keep it focused on its mission and would create jobs in rural America.

**Allow Counties and Schools to Retain 75% of Receipts:** Representatives of forested counties that receive SRS funds have been clear from the beginning that it is much better to have receipts increase to cover the needs in their respective counties. One way to align incentives is to provide an opt-in alternative that increases the percentage of retained receipts to 75%. Where the potential exists to maintain or increase activity on the national forests, the counties will focus on creating jobs and economic activity, and in counties that have other economic opportunities in the future the dependence upon receipts will diminish.

**Allow National Forest Units to Retain and Reinvest the Timber Sale Receipts that Go to the Treasury:** Similar to the SNPLMA framework, individual units of the National Forest System would retain the portion of the timber sale receipts that go to the Treasury. The retained receipts would be used for planning and projects, including timber sales, forest restoration, hazardous fuels reduction, trail and road maintenance, and recreation enhancement. Since the funds are staying with the federal government, this proposal should not score.

**Monetize the Value of Stewardship Contracts and Share the 25% Receipts Equivalent with Counties and Schools:** Stewardship contracts do not return a portion of the receipts to the counties or schools. As the Forest Service increases its emphasis on stewardship contracts, it is more important than ever that the counties receive 25% receipts from the value of the service and harvest. This is consistent with Congress’ overall goal of involving the local communities in the development and execution of stewardship contracts.

**Increase Grazing Opportunities:** Rural counties have been negatively impacted by uncertainty surrounding grazing permits. The Forest Service has been unable to renew grazing permits in a timely fashion primarily due to the heavy workload caused by both litigation and efforts to produce gold-plated environmental documents. This leaves ranchers uncertain about the continued availability of their permits and consequently reluctant to make long term investments. Rural communities that depend on federal grazing as a significant portion of their local economy are being impacted as this uncertainty is translating into more and more vacant allotments. For instance, California has gone from 40 vacant allotments to 200. This lowers property values and results in decreased local taxes, jobs and economic activity. It also decreases grazing fee revenues to the federal treasury.

Permanent authority to renew permits without NEPA (especially on those permit renewals where the grazing management remains the same) until NEPA is completed and any appeals or litigation is completed would provide additional security for permit holders. Congress annually passes a rider that gives the Forest Service the same authority as found in BLM regulations that allows grazing to continue while litigation is ongoing. Congress should pass legislation that requires the federal agencies to make decisions on permit renewal.

## Background: History of the “Partnership”

The *Partnership for Rural America Campaign* is an initiative of the National Forest Counties and Schools Coalition, and as such, represents over 722 rural counties and 9,000,000 school children across the nation where the U.S. Forest Service and BLM own and manage the predominant share of public forest lands. This ownership has a history that dates back to 1908 and forms the basis of the “partnership” between the federal government and rural forested counties. The partnership -steeped in 100 years of history- details the commitments and obligations shared between rural, forested counties and the federal government.

The benefits, for the entire nation, of this “**partnership**” include:

- Protection of the nation’s watershed that provide a clean drinking water supply to urban communities;
- Protection of our nation’s forests that provide clean air, sequestering atmospheric pollutants; and
- Protection of our natural resources’ diverse uses, including recreational benefits.
- Providing safe, well maintained county roads to access our national forests for recreation and public safety, in over 722 counties.
- Ensuring educational equality for over 4,400 rural school districts and 9 million children living in and adjacent to our national forests.

The “**partnership**” has its foundation in several pieces of legislation.

- I. In 1905, under the terms of the *Transfer Act*, President Theodore Roosevelt transferred **63 million acres** of western public domain land into Forest Reserves. In 1906 the Act was amended, requiring a share of receipts collected from forest-related activities on the Forest Reserves be returned to the rural, forested counties. In 1908 a “25 Percent Law” was passed, mandating that 25% of the dollars generated by activity on these lands be used for “The benefit of the public schools and public roads in the county or counties in which such National Forests are situated.”
- II. In 1911, the *Weeks Act* authorized the purchase of lands in the eastern and southern US to protect the headwaters of navigable streams. These lands were to be maintained as National Forests and the Act required that, “five per centum of all monies received during any fiscal year from each National Forest...shall be paid to the States...for the benefit of the public schools and public roads of the county or counties in which such National Forest is situated...” In 1913, the Agricultural Appropriations Bill, language was added to the Weeks Act wherein the 5% was changed to 25% of revenue generated by activity on these lands. The *Clarke McNairy Act* of 1924 expanded the purchase authority to the rest of the US and eliminated the requirement that the lands be acquired to protect navigable streams.

This 25% revenue share from our national forests was critical to the health of rural, forested counties schools and services. This is especially true today as National Forests include **190 million acres** and can range as high as **87 percent** in some counties. The 25% revenue share worked well until the 1980s and 1990s when harvesting and grazing was greatly reduced by environmental laws and public policy changes. This created a dire fiscal crisis for rural counties and schools. By the late 1990s, revenues had dropped by over 70%, and the intent of the “**partnership**” was in jeopardy.

In response to a unified national forest counties outcry, Congress passed the *Secure Rural Schools and Community Self-Determination Act* (P.L. 106-393) in 2000 to ensure the terms of the “**partnership**” were restored. After the Secure Rural Schools and Community Self-Determination Act (SRSCA) was passed in 2000, forest counties restored vital road and bridge maintenance services, snow removal services, and search and rescue services that had been eliminated or curtailed in the mid 1990s due to severely declining 25% revenues. Rural schools hired back thousands of teachers lost in the 1990s and restored essential educational services to over 9 million children, thus once again creating educational parity and equality for forest county children.

SRSCA also created in 2000 a new and highly successful program, the Title II Resource Advisory Committee program. Resource Advisory Committees are diverse groups of local citizens representing a wide range of interests that come together and agree by consensus on forest improvement and restoration projects. Since 2000 over 140 RAC's have been formed and over 6000 projects have been successfully completed on National Forest lands. In this eleven year period not a single project has been litigated or appealed - a remarkable track record. This program is day by day, building enhanced partnerships and leadership capacity in local communities and the USFS and BLM.

In many cases SRSCA is the only thing standing between rural counties and schools and financial oblivion. A piecemeal reauthorization of the Act is not fair to rural counties or schools; as the amount and consistency of funding is perennially in doubt. Long-term reauthorization of SRSCA at 2008 levels, and using the 2008 formula, is the only fair and equitable solution and is the answer to reaffirming the original intent of the “**partnership**” between the federal government and rural forested counties.

To maintain the intent of the partnership between rural counties and the federal government, SRSCA must be reauthorized and extended. At the same time, restoring sustained long-term active management of federal forest lands is in the best interest of creating healthy forests for future generations, and economic stability and job growth for rural Americans.