

**April 5, 2017**

**Testimony**

**Joint Committee on Ways and Means Subcommittee on Natural Resources Submitted by:**

Mark Stern, Director Forest Conservation, The Nature Conservancy

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Senator Frederick, Representative Witt and members of the committee, thank you for the opportunity to provide testimony in support of the Oregon Department of Forestry's (ODF) Budget.

The Nature Conservancy works closely with the Oregon Department of Forestry on forest and rangeland health and fire management issues across Oregon and supports the Oregon Department of Forestry's FY'17-'18 Governor's Recommended Budget. We would like to highlight the importance of two items in the budget more specifically: (1) \$650,000 (Policy Option Package 314) for the Rangeland Fire Protection Associations and (2) \$4.4 million for ODF's Federal Forest Restoration Program.

Regarding the Rangeland Fire Protection Association, this program provides important benefits to communities of eastern Oregon by increasing rapid response capacity to suppress wildfires. Fire is one of the key threats to shrub steppe ecosystems in Oregon and the Greater SageGrouse. This funding is a critical element of a \$2,045,000 package of funding needed to implement the State of Oregon's Sage Grouse Action Plan described in the following fact sheet. This package of funding is a critical element of the State's commitment to improve protections for Greater Sage Grouse that helped to result in the decision not to list the species under the Endangered Species Act (ESA). The Action Plan and the state's commitment to funding its implementation effectively maintained state control and averted the need for additional U.S. Fish and Wildlife Service regulations. The decision not to list sage grouse under the ESA will be up for review in 2020 – we must keep the momentum going for effective implementation and a positive review in 2020. For these reasons, we view this as an important and critical need that can be filled by ODF's budget request. We recommend fully funding of \$650,000 for this program.

On the second item, the ODF's Federal Forest Restoration Program is an innovative state based approach to catalyzing an increase in the pace, scale and quality of active forest restoration on federal forest lands in Oregon.

The Nature Conservancy has advocated for an increase in active management on Oregon's fire prone forests in southwest and eastern Oregon for more than a decade. We were members of Governor Kulongoski's original Federal Forest Advisory Committee that developed this program as described in the 2009 Oregon Board of Forestry report "Achieving Oregon's Vision for Federal Forestlands." We have continued to work hard on behalf of this vision. In 2012 we helped commission the 2012 National Forest Health Restoration report that delineated the benefits of doubling the pace and scale of acres treated annually – showing that each million spent on restoration generates \$5,700,000 in economic returns. The Nature Conservancy staff currently supports forest collaboratives in John Day, Lakeview, Prineville, Pendleton, Bend, Klamath Falls, Medford and Ashland. Our staff provide science to inform the application of ecological restoration that generates saw logs for local mills. And as forest landowner, we manage over 6,000 acres of mix-conifer forests in Lake County adjacent to Forest Service lands. We have been incorporating these ecological principles into our restoration thinning practices while sending saw logs to mills in Klamath County. In our most recent project we worked with local contractors and

sent 500 million board feet (MMBF) to the Interfor mill in Gilchrist and over 5,000 tons of chips to Longview, Washington.

Today, we estimate that are nearly 4.5 million acres of federal forest lands in Oregon needing active management to achieve resilient landscapes. I want to highlight three outcomes that make the state of Oregon's \$4,000,000 to \$5,000,000 investment in the ODF's Federal Forest Restoration Program critical to achieving this work:

1. **The Federal Forest Restoration Program supports collaboratives. Collaboration creates better and more durable outcomes.** For example, in the West Bend Project on the Deschutes National Forest, the collaborative group was fully engaged with the Forest Service, and that effort led to the Forest treating 85 percent of the project area and harvesting 32 million board feet (MMBF) of commercial timber from 14,000 acres. Similarly, in the Rocket Project on the Deschutes NF, treatment occurred on 80% of the project area, including 16 million board feet (MMBF) of saw logs coming off 7,000 acres. Typical forest restoration projects have limited harvest to approximately 50 percent of the project area. Supporting collaboration and providing technical assistance and science support to the collaboratives is an important step in advancing this forest work.
2. **The Federal Forest Restoration Program leverages additional federal resources.** The National Cohesive Wildland Fire Management Strategy was formed several years ago, and is an "All lands, Cross Boundary" strategy adopted by federal and state agencies, including Oregon. The Strategy is built on three-key elements: (1) Increasing Suppression Capacity; (2) Increasing restoration to achieve resilient landscapes; and (3) advancing locally-based Fire Adapted Community plans to protect communities in fire prone forests. Projects that embrace these three principles and work cross boundary on all lands are favorably viewed, and best positioned to receive funding. As a result, Oregon's investment in federal forest management and alignment with this national strategy has attracted significant federal funding to these efforts. For example:
  - Nationally the U.S. Forest Service and Natural Resources Conservation Service created the Joint Chief's Restoration Program, advancing active restoration management across federal and private forest lands. In part, due to ODF's Federal Forest Restoration Program, the Joint Chief's Program has funded five projects in Oregon that together have received over \$9,000,000 in the past two years. ODF's Federal Forest Restoration Program funding to collaboratives and support for this work was key to securing these funds.
  - Another good example of how the State's investment in the Federal Forest Health Program helped leverage more federal funds to Oregon this year, the Forest Service allocated \$4,000,000 of the \$6,950,000 in State and Private Forestry Program funds to Oregon – 12 of the 17 funded projects. The State of Oregon's funding of the Federal Forest Restoration Program is recognized nationally – which has consistently leveraged additional resources to manage both federal and private lands. The state's limited investment has catalyzed a strong return on the state's investment.

3. **The Federal Forest Restoration Program expedites project implementation.** Funding through the FFRP program extended 33 seasonal staff positions in fall 2016 and 27 seasonal staff positions in spring 2017 to help lay out timber sales. For example, U.S. Forest Service staff officer Brian Spivey said that the assistance from the ODF crews expedited the 30,000-acre Kahler Project on the Umatilla National Forest by three years. And lastly, the ODF Federal Forest Restoration Program has used the Good Neighbor Authority agreement that Governor Brown recently signed, facilitating the transfer of federal funds to the State of Oregon for implementation of forest restoration treatments. Through this agreement, the ODF's Federal Forest Restoration Program has an elevated role and access to additional resources for assisting in the management of federal forest lands. Again, the FFRP has pioneered the partnership to advance active management on these federal forest lands.

In closing, the Federal Forest Restoration Program is a key factor in Oregon's ability to scale up forest restoration and critical in leveraging additional federal resources to advance restoration, send logs to local mills and support rural communities. We urge the committee to recommend full funding of \$4.4 million dollars to maintain this important program.



# Investments in Conservation and Economic Development Vital to Eastern Oregon

Support the Governor's Recommended Budget of \$650,000 for Oregon Department of Forestry's support of Rangeland Fire Protection Associations and the following critical additions:

**Department of Fish and Wildlife**                      **\$425,000**  
Management of state's sage grouse mitigation program. (POP 110)

**Oregon Consensus**    **\$400,000**  
Government to Government and stakeholder coordination and conflict resolution.

**Department of Agriculture**                                      **\$500,000**  
Rangeland Health and Resilience

**Department of State Lands**                                      **\$70,000**  
Monitoring state lands covered by an ESA pre-listing agreement (CCAA). (POP 105)

## How the State's Action Plan is Funded:

The Bureau of Land Management, Natural Resources Conservation Service, U.S. Fish and Wildlife Service, private landowners and conservation organizations all provide significant funding to help implement actions identified in Oregon's Sage Grouse Action Plan.

State funding is needed to meet five key roles that can't be funded by others: (1) management of an effective mitigation program to minimize impacts and support development vital to Eastern Oregon communities; (2) coordination of the SageCon partnership to align state, federal, and private efforts for maximum efficiency and effectiveness; (3) provide matching funds for invasive species control; (4) meet monitoring requirements associated with the Department of State Lands CCAA; and (5) support local Rangeland Fire Protection Associations. All of these elements are essential.

In 2015, Oregon completed a comprehensive "all-lands, all-threats" plan to conserve sage grouse—the signature birds of sagebrush habitats of eastern Oregon—and promote rangeland health and economic development vital to the future of rural eastern Oregon economies. Backed by funding commitments from the 2015 Legislature, the state's SageCon Partnership won national recognition as a model for collaborative conservation.

Oregon's actions played a key role in the federal government's 2015 determination that sage grouse did not need protection under the Endangered Species Act (ESA), effectively maintaining state control and averting new federal regulatory restrictions. The decision not to list the species under the ESA will be up for review in 2020. Continued progress in implementing the state's plan will be a critical factor in that review.

The state's Sage Grouse Action Plan has five key elements: protections for the most important habitat areas under Oregon's land-use laws; coordinated and strategic investment of federal, state and private funds and actions; an effective economic development and mitigation program; improving Oregon's ability to manage and contain wildfires; and proactive investments in juniper removal and control of invasive annual grasses.

**The State needs to make ongoing investments to implement the Action Plan. If Oregon and other states don't follow through with our commitments, we risk increased federal regulation of land use and management, and we will fail to address threats that will have increasing impacts on rural communities, economies and ecosystems. over nearly one-third of Oregon.**

In addition to benefits to sage grouse, investments in the Action Plan benefit rural communities in Southeast and Central Oregon through improved rangeland health for ranchers, improved wildfire protection, creation of rural jobs, healthy wildlife and recreation, and sustainable pathways for renewable energy, mining, and other economic development.

In 2015, legislators approved more than \$3 million in additional General Fund support for the state's sage grouse conservation and rural community efforts. For 2017-19, the Governor's recommended budget continues some of this support. However, legislative action is needed to fill several budget holes that jeopardize the success of Oregon's efforts at a time when the state cannot afford to back off on its commitments.

**FUNDING PRIORITIES ARE SUPPORTED BY: Oregon Cattlemen's Association, The Nature Conservancy, Audubon Society of Portland, Association of Oregon Counties, Oregon Natural Desert Association, Oregon Association of Conservation Districts, Oregon Hunters Association**

# Comparison of the 2015-2017 Legislatively Adopted Budget and the 2017-2019 Need

Budget Elements	2015-17 Legislatively Adopted Budget	2017-19 Governor's Recommended Budget	2017-19 Need
Economic Development and Mitigation	\$586,000	0	\$425,000 ODFW POP 110
Rangeland Fire Protection and Management	\$1,600,000 ODF budget	\$650,000	\$650,000 ODF POP 314
Invasive Species Control	\$600,000 ODA Budget	0	\$500,000 ODA Budget
SageCon Coordination	\$300,000 DLCD Budget	0	\$400,000 Oregon Consensus
Habitat improvement	\$590,000	0	To be funded through other sources
State lands management	0	0	\$70,000 Monitoring required for State CCAA (DSL POP 105)
<b>Totals</b>	<b>\$3,676,000</b>	<b>\$650,000</b>	<b>\$2,045,000</b>

