



MADISON'S TIMBER PREVIEW

PO Box 2486, Vancouver, BC V6B 3W7 ✦ Tel: 604-984-6838 ✦ Email: madrep@shawcable.com ✦ Web: www.madisonsreport.com

August 02, 2013

Legislation aimed at boosting timber harvests on historic Oregon & California Railroad lands in Western Oregon was included in a sweeping federal forests bill that passed a House committee Wednesday. The House Natural Resources Committee sent the legislation to the full House on a voice vote with an eye toward setting up negotiations with the Senate.

The controversial bill has been eagerly sought by rural Oregon counties hard-hit economically by the decline of logging over the last two decades, but denounced by environmentalists as a return to the days of massive clear-cuts on federal lands.

The O&C legislation -- drafted by Democrats Peter DeFazio and Kurt Schrader and Republican Greg Walden, all from Oregon -- has been eagerly sought by Western Oregon counties where logging has precipitously dropped over the last two decades. However, it faces staunch opposition from several environmental groups.

"Today was the first really big step in putting in place a long-term solution for the solvency and prosperity of the O&C counties in Oregon," said DeFazio, who this month became the ranking Democrat on the Natural Resources Committee.

The measure would put 1.6 million of the 2.8 million acres of O&C lands, that once belonged to the Oregon and California Railroad Co. and are federally owned, into a trust managed by the state for timber production while also setting aside some lands as wilderness. The land was to be sold to settlers and spur economic development along the rail line from the California border to Portland. The legislation anticipates that logging levels would increase from less than 200 million board-feet per year now to over 500 million. In addition, the House bill also would extend the now-expired federal program to provide federal payments to timber-dependent counties to support local services for another year.

The affected counties — Marion, Klamath, Jackson, Josephine, Curry, Coos, Douglas, Lane, Linn, Benton, Lincoln, Polk, Clackamas, Yamhill, Washington, Tillamook, Columbia and Multnomah — rely on federal revenue-sharing payments to pay for schools and provide other basic services such as police and fire. But the payments are getting smaller due to lower timber sales and budget cuts. And the decline in timber-related jobs has led to high unemployment, nearing 20 per cent in some counties, DeFazio said.

DeFazio and the two other Oregon House members who sponsored the plan say it would protect some of America's oldest and most biologically diverse forests, provide consistent payments to 18 western counties, and create jobs in the struggling region.

Senator Ron Wyden, D-OR, who chairs the Senate Energy and Natural Resources Committee, is working on his own O&C legislation. He says he also wants to increase harvest levels, but without going as far as the House bill in infringing on federal environmental laws.

DeFazio anticipated passage of the federal forests bill in a statement Tuesday, "This is a huge step in the right direction at a critical time for many rural Oregon communities. Senator Wyden is working on parallel legislation that will differ in significant aspects. Over the last few months, I have had conversations with

Senator Wyden and I am hopeful the House will pass our bill, and his legislation will pass the Senate. From there, we can move to a conference and finalize a bill that meets common objectives and could be signed into law by the president."

DeFazio said the Senate is unlikely to accept provisions in the overall House bill that would mandate higher logging levels in national forests. In fact, he said he didn't yet know whether he would support the bill in the House due to several "problematic provisions" that Democrats on the committee were unable to change.

But DeFazio said a compromise could be crafted around provisions in the House bill aimed at improving forest health and reducing their vulnerability to massive fires. He noted that Wyden and the House resources chair, Doc Hastings, met earlier this year to begin laying the groundwork for a compromise.

The DeFazio-Schrader-Walden plan would:

- Permanently preserve old-growth forests and natural treasures such as the Molalla River and the Devil's Staircase Wilderness Area;
- Transfer 1 million acres of ecologically sensitive O&C land from the Bureau of Land Management to the National Forest Service to be conserved;
- Gradually increase logging to "sustainable" levels in newer forests — those no more than 125 years old — on the remaining land and create a public trust, to be run by Oregonians, to manage this acreage instead of the BLM.

DeFazio countered environmentalist's alarm by saying that the O&C legislation includes important new environmental protections for the Molalla, Rogue, and Chetco rivers as well as additional wilderness designations.

The overall legislation from the House committee's chair, Representative Doc Hastings, R-WA, calls for much higher timber harvest levels on federal forest lands around the country.

A spokesperson for Senator Wyden, Tom Towslee, also expressed optimism that a deal could be worked out between the House and Senate, "Everyone feels the same sense of urgency about creating jobs in rural Oregon and providing O&C counties with a stable source of funding while protecting water, old growth, and critical habitat. Senator Wyden is confident that the details of how we get there can be worked out over time."

In a conference call with reporters, DeFazio said he thought the prospects were good for a deal focused on improving forest health and reducing forest fire danger.

Walden, a member of the House Republican leadership, said, "I am hopeful that the full House will take up this common-sense plan as soon as possible so that we can begin negotiations with the Senate. Now is the time to finally get this done for Oregon."

Keta Kosman
Publisher
Madison's Lumber Reporter
Madison's Timber Preview
Madison's Investment Rx
www.madisonsreport.com
604 984-6838