

VIII. Chapter Five—Policy

The Dry Forest Zone is 68 percent public land; therefore, public policies are crucial to the opportunities and constraints that it faces. National laws guiding planning and harvesting practices have significantly shaped the role of federal land management agencies in providing ecological and socioeconomic benefits to communities. The large tracts of federal ownership that dominate the zone are adjacent to sparsely populated rural areas, and county governments serve as the interface between the federal government and local communities. Most of the county seats have relatively small government structures, few staff members, and limited and declining budgets. These counties are responsible for maintaining road systems, public education, health care, fire and police departments, land use laws, and other core local government functions. A longstanding system of federal funding to counties from federal timber revenues and for nontaxable federal lands has helped support county governments, but the declining timber industry continues to challenge these contributions. Given the importance of public policy in the public lands communities of the west, governmental, interest, and nonprofit groups have organized to influence policy and represent the priorities of their members. However, most of these organizations operate regionally or nationally, and there are few zone-based initiatives for policy engagement at this time. To establish the policy context of the zone, this chapter will discuss the impacts of current and proposed federal policies; the existing capacity of zone stakeholders for participating in and influencing policy; and opportunities for increased policy participation and policy changes that could help foster increased socioeconomic viability and sustainable forest stewardship.

LEGISLATIVE REPRESENTATION IN THE ZONE

National and state legislative districts provide representation for the zone. Nationally, the zone encompasses most of eastern Oregon (Oregon second congressional district), which is the seventh largest congressional district in the nation. This district covers two-thirds of the state east of the Willamette Valley and 75 percent of the zone. In California, the zone includes Trinity and Siskiyou counties, which are part of California's second congressional district,

as well as Modoc County, which lies within California's fourth congressional district. Republicans currently represent the three congressional districts that overlap the zone, and have typically represented them in the past. Representative Greg Walden (R) represents Oregon's second congressional district. Representative Wally Herger (R) represents California's second congressional district, and Representative Tom McClintock (R) represents California's fourth congressional district. Congressman Greg Walden was selected in February 2010 as the chairman of the U.S. House of Representatives Republican leadership team.¹⁵ All four senators from Oregon and California are Democrats.

In addition to Congress, citizens elect state senators and representatives. In Oregon, seven of the thirty state senators are from zone counties. Of these, six are Republicans and one is a Democrat. Thirteen of the sixty House representatives are from the zone; eleven are Republicans and two are Democrats. In California, two state senators in a forty-member Senate are from zone counties, and both are Republicans. One representative from the zone is in the eighty-member California State Assembly and is also Republican. Democrats currently control all four of these legislative bodies similar to its national representation in the House. At the county level, citizens elect county commissioners or judges who form commissions (Oregon) or boards of supervisors (California). In the rural counties of the zone, commissioners tend to be active in natural resource management and economic development issues. This is crucial in the zone where county governments are the interface between public lands communities and the federal government.

MAJOR POLICIES AFFECTING THE FORESTS AND COMMUNITIES OF THE ZONE

There are several significant federal policies and regulations that shape the forest management and economic activities of the zone. National and regional policies play a significant role in dictating local opportunities and constraints for counties and communities. There are five major areas of policy importance for the zone. First, a suite of national laws from the late 1960s onward reshaped the uses of national forests and processes for their manage-

ment, particularly by bringing new consideration for environmental impacts. These policies significantly impacted the Pacific Northwest, where forestlands had been at the core of many community economies for decades. Second, northwestern states also experienced direct conflict between industry and environmental groups such that decision-makers developed two broad bioregional initiatives (the Northwest Forest Plan and the Interior Columbia Basin Ecosystem Management Project) in the 1990s to resolve land use and forest practices issues. Third, these transformations left many rural communities and counties struggling to support their administrations and services without adequate timber revenues. Federal policies that support counties are the Secure Rural Schools and Community Self Determination Act of 2000 that replaced the past program of county payments administered by the Forest Service, and O&C payments administered by the BLM. However, the future of these allocations is uncertain. Fourth, severe fire seasons across the west in 2000 and 2003 spurred another set of national acts intended to address both the restoration needs of dense, fire-prone forests and the challenge of wildfire suppression

budget growth. Fifth, budgeting, agency capacity, and recovery and reinvestment are a significant area of policy importance for the zone. Trends in federal budgeting affect the resources available in public lands communities and have fundamentally impacted the capacity of federal agencies to staff and fund their field offices and programs. This chapter does not discuss every one of these policies in depth but highlights the driving policy levers that have shaped current conditions, pose challenges, or offer opportunity for future benefits to rural communities.

National forest management policies: 1969–89

Congress passed the National Environmental Policy Act (NEPA) in December 1969 and Richard Nixon signed it into law on January 1, 1970. NEPA is one of the most significant laws to shape federal forest management. NEPA requires federal agencies to evaluate the potential environmental impacts of all agency actions. Actions that are assumed to not have significant impacts are categorically excluded from warranting an environmental impact statement (EIS), which the agency must otherwise prepare. If the significance of potential environmental impacts is



uncertain, the agency must prepare an environmental analysis. Some stakeholders cite fear of appeals as a factor that can hamper agency activities. However, many agencies in the zone have been proactively engaging in collaboration to address potential conflicts before the NEPA process, and several recent forest management policies have provided incentives for collaboration. Collaboration has the potential to not only reduce appeals and litigation, but to also build a coalition of engaged stakeholders.

The National Forest Management Act of 1976 (NFMA) is also fundamental to forest management. It redefined the statutory authority of the Forest Service by requiring management for multiple use and sensitive species, as well as requiring forest planning. The 1982 Forest Planning Rule outlined how the Forest Service would implement NFMA by requiring each national forest to develop a long-term management plan every ten to fifteen years. For the BLM, the Federal Land Policy Management Act (FLPMA) of the same year provided similar guidance to manage BLM lands for multiple use. NEPA, NFMA, and FLPMA together structure how federal agencies plan their land management to provide ecological and socioeconomic benefits to the public. Although forest planning processes can be burdensome and lengthy, some stakeholders see forest plan revisions as a potential opportunity to institutionalize the agreements and principles that they may have built through years of collaboration on national forest management.

The importance of NEPA, NFMA, and FLPMA in dictating the constraints and opportunities for sustainable forest stewardship in the zone cannot be overstated. The Endangered Species Act (ESA) of 1973 has also been highly influential. It requires agencies to ensure that they will not take habitat from species or destroy their habitat, and that they must restore and recover species that have become threatened. The northern spotted owl, whose habitat had been degraded by logging in the Pacific Northwest, was listed under the ESA in 1989. The federal court enjoined timber harvests on federal land in 1991, halting timber sales until a plan for spotted owl protection could be formulated. This situation challenged the economic viability of public lands communities in Oregon and California. Similar injunctions followed for salmon management in eastern Oregon.

Bioregional plans for forest management

To address the spotted owl controversy, the Clinton administration convened the Northwest Forest Summit in 1993 and developed the Northwest Forest Plan. This directly impacted the zone counties of Trinity, Josephine, and Jackson, and smaller western portions of Klamath and Deschutes counties. The Northwest Forest Plan creates a vision for ecosystem-based management of federal lands in a 24.5 million acre area. Ecosystem-based management entailed scientific research and planning processes, development of late-successional reserves and spotted owl habitat areas, protection for old-growth characteristics, adaptive management areas, and an emphasis on interagency coordination for this vision. Although a component of the plan provided retraining and economic assistance, decreased timber harvests still shook communities and workers across the Pacific Northwest. It included the creation of twelve Provincial Advisory Committees (PACs) across the plan's area to coordinate plan implementation. PACs are still active on the Deschutes, Rogue-Siskiyou, and Klamath national forests.

An injunction for salmon shortly after the completion of the Northwest Forest Plan forced the establishment of interim management rules east of the Cascades while planning for ecosystem management could take place. One of these interim rules was the "eastside screens," a twenty-one-inch diameter-at-breast-height limit for logging. The Forest Service and BLM developed the Interior Columbia Basin Ecosystem Management Project (ICBEMP), which convened teams of scientists and managers to assess trends, develop strategies, and draft EIS statements to be used in forest planning. Klamath, Lake, Deschutes, Crook, Harney, Wheeler, Grant, Union, Baker, and Wallowa counties were included in ICBEMP.

This process trailed off before any of its work could become institutionalized. One legacy, however, is that the temporary eastside screens have since remained, and apply to all federal forest harvesting in counties outside of the Northwest Forest Plan area. A recent proposal by Senator Wyden of Oregon would codify the diameter limits into law as part of a broader package of measures concerning forest planning and environmental reform of federal management of eastside forests.

Federal support for rural counties

Historically, the Forest Service has been a major employer and “business” entity that has driven commerce across the zone. But a prevalence of public land also means that local governments have smaller available tax bases. Beginning in the 1930s, the federal government was obligated to provide 25 percent of its timber revenues from national forests to counties. Josephine and Jackson counties received an additional 50 percent under the O&C Act for their BLM lands. During the late 1980s and 1990s, timber revenues fell substantially, limiting county revenues and making payments more inconsistent. To assist public lands communities, Congress passed the Secure Rural Schools and Community Self-Determination Act of 2000 or “payments to counties.” County governments that had traditionally received 25 percent of the receipts from federal timber sales to support costs associated with schools and maintenance of the forest road system would now have a stable source for dedicated road and school funds (Title I of the act). These payments became a major source of revenue for zone counties. A third source of federal support is Payments in Lieu of Taxes (PILT). PILT are BLM-administered payments to local governments for the nontaxable or nonproductive federal lands within their boundaries. This law was developed in 1976. The contribution for Trinity County in California for 2009–10 was \$503,323, the highest amount ever received in the county. The Secure Rural Schools money Trinity County received in 2009 was around \$8,000,000.¹⁶ This amount from the Secure Rural Schools fund along with the PILT contribution equates to nearly 54 percent of the general fund for the county.¹⁷ Title II of the act specified funds for projects on federal lands that were not included in the Forest Service budget, and created the authority for Resource Advisory Committees (RACs) with diverse membership to recommend projects to the Forest Service. Projects are required to address road maintenance and obliteration or watershed improvement and restoration. There are seven RACs working in the zone. RACs have helped to successfully prioritize regional projects on national forests, particularly in northeastern Oregon. The Secure Rural Schools Act was reauthorized in 2008 with narrow support and significant changes. Title I now requires that states and counties must choose either to receive the 25-percent payment or to receive a Secure Rural Schools state payment.¹⁹

Wildfire and restoration policies

Wildfires of unprecedented severity impacted many zone and other western communities in the early 2000s. Firefighting expenditures soared, and communities surrounded by dense forests feared their vulnerability. In Deschutes and Crook counties, for example, regional population growth has increased development in the WUI, putting property and lives at risk. In response, Congress developed a number of policies to address fire danger and be more proactive in meeting restoration needs on public lands. The first of these was the National Fire Plan (NFP) of 2000. The NFP contains a number of new budget lines provided by Congress to enable a broad strategy for wildfire management. The Western Governors’ Association, Department of Interior, and USDA worked together and built a comprehensive plan to coordinate agencies and communities to provide adequate firefighting capacity, post-fire rehabilitation, community resources, and hazardous fuel reduction. This plan allowed for treatment of federal, state, and private land. Further large wildfires in 2002 spurred the Bush administration’s Healthy Forests Initiative (HFI), a measure that created categorical exclusions to NEPA to expedite hazardous fuels projects. The federal court has since overturned these categorical exclusions. In 2003, Congress passed the Healthy Forests Restoration Act (HFRA), which authorized the Forest Service and BLM to treat up to 20 million acres of land, prioritized treatments in the WUI, outlined the community wildfire protection plans process (CWPPs), and recommended annual budgeting for hazardous fuel reduction. It also expedited the NEPA process for hazardous fuels projects. Many environmental groups nationally and within the zone were opposed to the streamlining of projects under HFI and HFRA, but community leaders, community-based forestry practitioners, and a broad bipartisan base in Congress supported these efforts. The Tribal Forest Protection Act (TFPA) of 2004 authorizes similar funding to HFRA, but is designed to help tribes and federal agencies coordinate active management across the interface between their lands to prevent loss of tribal forests through the spread of public land wildfire.

HRFA authorized funding that federal and state agencies in the zone have been able to use for fuel reduction and fire suppression, but it has not led to landscape-scale restoration. Although the Klamath

Tribes have discussed using TFFPA in partnership with the Fremont-Winema National Forest, they are still re-acquiring their former reservation lands and have not yet worked on interface management. In 2009, Congress passed the Forest Landscape Restoration Act (FLRA),¹⁹ which authorized funding for designated projects involving collaboration for landscape level planning, utilization of material removed, and consideration of local economic benefit in public land management. The Forest Service has created the Collaborative Forest Landscape Restoration Program to fulfill the intent of the legislation, and President Obama has recommended the full \$40 million authorized for the legislation in his FY 2011 budget proposal. The purpose of FLRA is to provide funding to areas identified as priority landscapes that are 50,000 acres in size or greater with the hope of facilitating expedited restoration. If the zone or any part of this region were selected as a priority landscape under FLRA, it would have significant implications for collaboration and landscape level achievements.

Budgets and recovery

The Forest Service's budget and staffing capacity has declined since the late 1980s. As timber harvests fell before and after the Northwest Forest Plan, the agency began to reallocate funds away from Forest Service Regions 5 and 6. Consequently, it has been forced to cut its own staffing and programming, resulting in office closures, consolidation of national forests such as the Fremont-Winema and Rogue-Siskiyou forests, and overall declines in operational capacity. By 2009, federal budgets had also suffered from the huge amounts of funding that wildfires in the 2000s had demanded. In large fire years, the Forest Service has had to borrow from nonfire accounts to pay for suppression. To address this situation, Congress passed the Federal Land Assistance, Management and Enhancement Act (FLAME) in 2009. The FLAME Act creates a special account intended to reduce the need of the Forest Service to borrow funds in order to pay for wildfire suppression. Over the course of the next five years it will be important to track whether FLAME was successful in resolving this problem.

Communities and counties have also suffered from fiscal challenges as a result of the 2008 recession. In 2009, Congress passed the American Recovery and

Reinvestment Act (ARRA), or the "stimulus bill," for revitalization of employment and economic development opportunities across the nation. ARRA spending has tended to be concentrated in metropolitan counties, however, and while the agriculture and interior departments awarded over \$550 million in ARRA contracts, grants, and agreements in western counties, several nonnatural resource management agencies had over \$1 billion each to award.²⁰ Despite this, ARRA did provide new investment for restoration of the national forests and BLM lands across the zone. ARRA funding has or will have supported projects for fuel reduction, restoration, tribal workforce training, and biomass utilization on national forests; and for treatment of WUI areas for private landowners at risk. Although the balance has been awarded for fuels reduction, ARRA projects have begun to provide for biomass utilization by funding biomass transport and grinding in central Oregon, and a pellet plant in eastern Oregon.

POLICY CHALLENGES IN THE ZONE

The public policies that influence forest stewardship and economic activity in the zone can pose barriers as well as opportunities. Limited local capacity for engagement in policy advocacy and education also impacts the zone's ability to address these barriers. First, the land management agencies have experienced funding crises as a result of wildfire suppression costs. Increased spending on suppression on top of larger reductions due to limited timber harvest has greatly reduced staffing and infrastructure, which in turn has affected overall agency capacity to manage public lands and provide socioeconomic benefits. Second, county leaders in the zone are concerned for their budgetary stability. If Congress does not reauthorize the Secure Rural Schools Act or provide adequate allocations, county government and services will be further challenged. Third, funding from public sources for projects on public lands across the zone is inadequate in comparison to current needs. Although policies such as HFRA and ARRA have provided crucial hazardous fuel reduction resources, it will be difficult for agencies to foster landscape-scale restoration without more comprehensive support. Fourth, the funding opportunities that do exist are often mismatched to the scale of zone projects and goals. For example, federal funds for biomass utilization may preclude community-scaled initiatives from qualifying. Finally, although local policy

engagement is increasing, there is currently limited capacity and no dedicated local entities to help the communities across the zone to engage and influence national policy and legislation. There is adequate funding to aggregate landowners, but funding for increased capacity to actually engage and succeed in these efforts is lacking. National institutions and organizations have led most of the policy advocacy and education in the zone at this time.

POLICY CAPACITY WITHIN THE ZONE

Coalitions allow communities or stakeholders with similar priorities to collectively engage in policy advocacy. Across the zone, the capacity to engage in policy is found in government agencies, interest groups, and community-based organizations. Most of these coalitions are national in scale with regional staff members or offices in the zone.

The National Association of Counties (NACo) is a national organization that represents member county governments across the United States. Every county in the zone is a member of NACo and has access to the organization's services and educational resources. NACo brings county governance issues to the attention of the federal government and the public. At the state level, the Association of Oregon Counties and the California State Association of Counties develop policy platforms to promote county interests nationally. The Western Governors' Association, which formed the strategies of the National Fire Plan, is a coalition of western state governors. Several of their subcommittees work on issues essential in the zone—forest health, biomass, renewable energy, wildlife habitat, and climate change adaptation—and provide policy advocacy on legislation such as the Farm Bill reauthorization. These types of governmental organizations can provide policy advocacy and support to rural county governments in the zone, but the initiative of county commissioners to engage in these forums varies.

Interest groups also engage in policy work in order to make their priorities heard and to guide those who they represent in adapting existing policy to their best advantage. Although these groups can provide policy awareness and advocacy, not all groups have applied this capacity to broad, collaborative solutions. National industrial organizations include the American Forest and Paper Association

(AF&PA) and the American Forest Resource Council (AFRC). Although AF&PA formed in 1993, it represents the convergence of several longstanding forest industry groups dating to the late 1800s. AF&PA advocates on behalf of industry interest at the state, national, and international level and acts as a trade association. A subgroup of AF&PA, the American Wood Council, works to promote wood use and public policies supportive of wood products manufacturing. AF&PA is based in Washington and does not have field offices in the zone, but its members include the Oregon Forest Industries Council and Oregon Women in Timber. The AFRC is another national industry group and has offices in Portland and Eugene as well as a former staff consultant in Bend. Like the AF&PA, it formed from the merger of previous groups—the Independent Forest Products Association and the Northwest Forestry Association. Environmental interest groups such as the Western Ancient Forest Campaign (W AFC), which later became known as the American Lands Alliance before folding in 2009, were active in bringing local environmental protection voices to Washington, D.C., in the 1990s and in using policies such as the Endangered Species Act to litigate against federal agencies. Although the American Lands Alliance no longer exists, some of its constituent local environmental groups are active in the zone. This includes Oregon Wild (formerly the Oregon Natural Resource Council) and the Hells Canyon Preservation Council. Oregon Wild appeals and litigates forest management decisions, but also has a central Oregon representative who is active in collaboration in the zone. The Sierra Club is headquartered outside of the zone, but has an eastern Oregon chapter called the Juniper Group, which has actively filed appeals against national forests while also collaborating in the zone. A small local environmental group, Blue Mountains Biodiversity Project, has also had significant impact on forest projects in the zone through appeals and litigation, as well as by participating in collaborative group processes. Finally, broader organizations like the Western Environmental Law Center provide legal capacity to smaller conservation groups and can litigate on behalf of coalitions; they have represented environmental groups in the zone.

There are other environmental nonprofit organizations active in the zone that take a collaborative

approach to policy advocacy and do not engage in litigation. The Nature Conservancy (TNC) is a nonprofit with offices in Enterprise, Bend, Klamath Falls, Medford, and Chico. In Deschutes County, TNC staff members from the Fire Learning Network are helping to coordinate a planned application for FLRA funds. Organizing for FLRA has helped to build more cohesive networks between the diverse organizations and collaborations in central Oregon. There are also a number of land trusts that can enhance policy understanding and increase the influence of communities on the lands upon which they depend. Land trusts typically have 501(c)3 status and will purchase or accept donations of land for conservation. They can also play an active role in promoting state and local policies that limit land development. The Deschutes Land Trust is a zone organization that hopes to demonstrate the value of working landscapes in Oregon through the Skyline Community Forest (see page 79) and to advocate for further legislative protection for such conservation.

The Rural Voices for Conservation Coalition (RVCC) is currently the only known policy coalition that acts to promote conservation-based policies in zone counties. Sustainable Northwest coordinates RVCC. RVCC convenes stakeholders and decision makers from across the western U.S. in order to bring rural policy issues to the attention of national decision-makers. An array of government leaders, agency staff members, small business owners, community-based forestry advocates, and more gather in RVCC's issue-based working groups. These working groups collaborate to produce issue papers and RVCC coordinates an annual delegation to Washington, D.C., to provide briefings and deliver these issue platforms to lawmakers. Representatives from about twenty entities in the zone take part in RVCC meetings and working groups, including the LCRI, WRTC, COIC, Wallowa Resources, Applegate Partnership, Southern Oregon Small Diameter Collaborative, several businesses, and county commissioners.

At the local level, there has been limited organization on policy issues in the zone. In 2004, the Gilliam County judge led the formation of the Eastern Oregon Rural Alliance, an eighteen-county organization that focuses on promoting state laws that can help rural communities. More recently, commissioners from eight eastern counties have begun to form

the Eastern Oregon Regional County Organization, which would include the zone counties of Wallowa, Union, Baker, Harney, and Grant. This group intends to convene around existing public lands issues and not to work directly on policy development. In northern California, supervisors of rural counties have attempted to organize through the Regional Council for Rural Communities, but have not yet been successful in that arena. Most policy advocacy occurs by individual counties rather than collectively through clusters of neighboring counties.

LOOKING AHEAD

In February 2010, President Obama released his proposed FY2011 budget recommendations. The most significant for the forested lands within the zone is the consolidation of three line items under the National Forest System into one 'Integrated Resource Restoration' line item. Line items to be consolidated include: wildlife and fisheries habitat management, forest products, and vegetation and watershed management. Pending congressional and other budgetary actions, this framework sets in motion an increased need for comprehensive restoration, collaboration, and building capacity for rural communities. This is an encouraging proposal for the zone, as it would change the incentives that the Forest Service has to meaningfully manage lands for multiple value streams.

In 2010 and beyond, federal budgets and laws will always continue to play a role in defining the opportunities and constraints for sustainable forest stewardship and economic development in the zone. To cope with the challenges that public policy poses while actively fostering an environment beneficial to rural resource-based communities, leaders in the zone could focus on building local and regional capacity for policy engagement. This capacity building would require concerted capitalization on the resources offered by national, governmental, interest, and nonprofit groups through increased coordination and networking. There is a need to increase both local policy capacity and regional networks. Regional networks can serve to disseminate resources and education necessary for local capacity building. They can also "scale up" the voices of local actors by providing strength in numbers. A well-organized regional network could ensure that decision-makers outside of the zone hear diverse local voices yet also

receive clear, coherent rural policy messages. One example of this coordination is found in the RVCC. This coalition began as a network of community-based forestry advocates who focused on influencing land management policy. Over time, a broader base of stakeholders began to participate in RVCC's meetings and working groups, including business leaders and county governments. This has enabled RVCC to address the relationship between economic development and land management and advocate for policies that can support an integrated vision for community and forest well being. RVCC participants have also found that although they organized to influence policy, the partnerships that the coalition has built have also stimulated on-the-ground work in other areas.

Despite its limited political representation, the zone is a place that can play a valuable role in public policy change. Public lands have long provided our nation with critical supplies of timber, wilderness areas, economic growth, fresh clean water, and countless ecosystem services. In order for national forests and federal lands to continue serving these functions, decision-makers must work to empower public lands communities to act as responsible stewards. Federal forests need stewardship today to allow for active restoration, wildfire protection, and a sustainable suite of socioeconomic benefits. The voices of the Dry Forest Zone can speak regionally and nationally to ensure that policy will support their capacity to develop and protect these benefits for all.

