Montana Legislature EQC Statement by Tom Schmidt September 11, 2013

Chairman Brendan and members of the Environmental Quality Council, my name is Tom Schmidt and I'm the Deputy Regional Forester of the US Forest Service's Northern Region. I report directly to Faye Krueger, the Regional Forester, or top official, for the US Forest Service's Northern Region. Geographically, the Northern Region includes National Forests and Grasslands across Montana, northern Idaho, and the western Dakotas. On behalf of Faye, I want to thank you for the opportunity to speak to the committee today regarding my agency's structure and mission within the State of Montana. I'm sharing a printed version of my presentation.

The Mission of the US Forest Service is to "Sustain the health, diversity, and productivity of America's Forests and Grasslands for the benefit of present and future generations" and where conflicts occur, the agency is charged with reconciling them in the spirit of "the greatest good of the greatest number in the long run." Those issues aren't small potatoes, or perhaps more appropriately in this case, pine cones.

Since it was founded in 1905, the US Forest Service has been the agency which Congress has designated to manage the National Forests and Grasslands of the United States for the citizens of the United States. We operate within a complex framework of laws, regulations, and other direction. I'll take a moment to describe just a few of these, some of which you may have heard of:

- Land Revision Act of 1891 (which created the first Forest Reserves on existing federal lands in the Western United States),
- The Organic Act of 1897 (which provided that the President may establish National Forests on public domain lands "To improve and protect the Forest within the boundaries, or for the purposes of securing favorable conditions of waterflows, and to furnish a continuous supply of timber for the use an necessities of the citizens of the United States."
- Transfer Act of 1905 (Which transferred management of Forest Reserves from DOI's General Land Office to the Forest Service)
- National Environmental Policy Act of 1970 (instructs federal agencies to assess & disclose the environmental effects of their proposed actions before making decisions)
- National Forest Management Act of 1976 (provided for an interdisciplinary approach to management of National Forests and a framework for public involvement in preparing and revising Forest Plans)
- Planning Rule, Roadless Rule, and other agency-promulgated rules.

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Organizationally, the Forest Service is located within the United States Department of Agriculture under Secretary Tom Vilsack. We have a newly appointed Undersecretary for Natural Resources and the Environment in Robert Bonnie. Working for him is Chief Tom Tidwell, who some of you may have worked with in his capacity as Regional Forester for the Northern Region. As mentioned earlier, the current Regional Forester for the US Forest Service's Northern Region is Faye Krueger, who oversees management of the 25 million acres of National Forests in this Region.

The Forest Service is made up of three primary branches:

- Research and Development USFS R&D is the largest research organization in the world dedicated solely to conservation, made up of seven research stations, 77 research labs and other offices nationwide, and 81 experimental forests & ranges. Within Montana, the Rocky Mountain Research Station (under Station Director Sam Foster in Fort Collins) operates two research stations and two experimental forests. R&D is also the lead for the Forest Inventory & Analysis program, a partnership with the National Association of State Foresters and the Forest Service's State & Private Forestry branch. FIA conducts & continuously updates an inventory & analysis of present and prospective conditions of forests and rangelands of the Interior West. USFS R&D also operates facilities such as the National Forest Products Lab in Madison, Wisconsin. The Forest Products lab works to develop and test new forest-based products such as nanocellulose, which is a newly developed compound which is lightweight, flexible, stronger than steel, stiffer than Kevlar, conducts electricity and is made from trees. The first nanocellulose plant in the US opened July 2012 at the Forest Products Lab. This is exciting stuff, with potentially profound ramifications for our partners in the forest products industry here in Montana. R&D develops new firefighting gear, ensured quality control of fire retardant, and does on the ground research across the nation, including having a presence in the Tenmile watershed. Should you wish to hear from R&D folks, perhaps we could work something out for a future meeting.
- State & Private Forestry This branch of the Forest Service provides technical and
 financial assistance to landowners as well as public and private resource managers to
 sustain the Nation's forests, and protect communities from wildland fires. State &
 Private forestry works closely with the States and focuses on fire & aviation
 management, forest health protection, cooperative forestry, and urban forestry.
- <u>National Forest System</u> This is the branch of the Forest Service that most people are familiar with, and is what I'm here to talk about today. Nationally, the NFS system consists of 193 million acres, or twice the size of California. About 17 million of those acres are located across nine National Forests here in Montana. Working for Regional

Forester Faye Krueger at the Forest Level are seven Forest Supervisors, each of whom supervise anywhere from 3 to 6 District Rangers.

The Northern Region's fiscal year 2012 final budget was \$243,879,000, a 19% reduction from fiscal year 2011, a trend which is likely to continue in future years. Approximately 2000 permanent full-time employee equivalents work for the Northern Region.

The Northern Region of the Forest Service is faced with a vast diversity of management challenges and opportunities. I appreciate the opportunity to discuss several of them today.

Fire, fuels and emergency response: The mission of the Forest Service with regard to fire, fuels and emergency response is to restore and maintain resilient ecosystems, create fire-adapted communities, and respond to wildland fire while keeping communities safe. The Forest Service in Montana has a strong record of being success with regard to initial attack of wildfires (approximately 95%), and when fires break out in Montana. The highly effective partnerships we have with other federal, state, and local firefighters mean that many many fires never make the headlines because they're extinguished before that happens. Conversations happen at all levels between our partners, before, during, and after fire season. Still, this is Montana and forests will burn – in 2012 1.13 million acres burned in Montana, 223,582 acres of which were on National Forest System lands although that number is currently at 104,768 acres for this fiscal year.

To try to help prepare communities for the threat of wildfires, the Forest Service continues to put fire on the landscape - 240 prescribed fires were ignited during burn windows earlier this year on National Forests in Montana, treating 15,871 acres. This year has seen less wildfire activity in Montana (although currently the Forest Service cost of suppression of fires larger than 100 acres to date in Montana is at approximately \$52 million, which is a conservative figure because it doesn't include smaller fires). However, our scientists and fire experts predict that with climate change we will see larger, more intense fires and longer fire seasons become more typical in the future. That, combined with continued home construction adjacent to National Forests and elsewhere in the wildland urban interface, will increase the complexities of engaging wildfires in the future, and keeping our firefighters and communities safe.

• Recreation: Montanans cherish the outdoor recreation opportunities that go along with living in this state, and the numbers show when people visit Montana from outside of the region, National Forests factor strongly into that experience. The Forest Service conducts visitor use monitoring on each National Forest in the country, and one year of those surveys found that there were 1.8 million nonlocal visits (a visitor who is from more than 50 miles away) to the National Forests in Montana. Why do they visit? Here are a few reasons:

- Approximately 13,500 miles of non-winter trail miles in Montana, or 92% of the total in this state. 4000 of those are trails located in Congressionally designated Wilderness.
- 3.3 million acres of National Forest System lands in Montana is Congressionally designated Wilderness and managed by the Forest Service under the provisions of the Wilderness Act.
- O There are nearly 4,000 miles of snowmobile trails on National Forests in Montana. Approximately 85% of total motorized off-highway vehicle trail miles in Montana are located on National Forests in Montana.
- Public/private partnerships are inherent to our recreation special use permit program, with 31 ski slopes or resort permits as well as 436 outfitter/guides (or approximately 55% of the total guiding in Montana) administered by the Forest Service.
- o There are 716 recreation residences located on National Forests in Montana, a privately owned structure which is permitted to be located on the National Forest.

We anticipate recreational visits to National Forests in Montana to continue to increase. However, at the same time, agency funds for managing recreation on the National Forest is generally declining. Collaboration with other agencies as well as NGOs such as the Montana backcountry horsemen or groups such as the Great Falls Bike Riders will be increasingly important, given that developed recreation sites such as campgrounds and interpretive centers are expensive to maintain, and road and trail funding is becoming more scarce.

- Restoring, sustaining and enhancing National Forests: When you look out your window here
 in Helena, you can't help but notice one of the key issues that National Forests in Montana,
 and elsewhere in the mountain west, are facing the Mountain pine beetle. The mountain
 pine beetle has always been present in our Forests, although typically at much lower
 ambient levels. Several factors have aligned to create a "perfect storm" which has led to a
 widespread infestation and die-off of trees:
 - An abundance of even-aged, mature trees dating back to the Fires of 1910. These older trees are less resilient and are akin to Big Macs to the beetle.
 - O A lack of disturbance events over the last century the "Out by 10am" approach that was highly successful from a fire suppression standpoint. However, in a fire-adapted ecosystem such as that which we live in, taking fire out of the equation has fundamentally changed our forests. Combined with this, the last two decades have also seen a reduction in acres treated by the Forest Service.
 - Climatic factors: years of recent drought has made it more difficult for trees to fend off beetles. Also, during the winter the beetle produces antifreeze to allow it to

make it through the cold - - researchers have found that the beetle is particularly susceptible to cold temperatures as it is shifting in and out of winter dormancy, as well as prolonged bouts of extreme cold during the winter. We aren't seeing those temperatures typically dipping down as often to what's necessary to kill the beetles anymore.

<u>Providing and Sustaining Benefits for the American People:</u> What is the Forest Service doing to address the decline in forest health? The Forest Service believes that we can restore, sustain, and enhance the health of our National Forests, in a responsible manner, and at the same time, provide economic opportunities for the citizens and communities of Montana.

More than 20% of the drinking water for the United States comes from National Forest System lands. Here in Montana, many communities have a much greater reliance — more than 80% of Bozeman's, and at least 70% of Helena's municipal water supply comes from National Forests. In the face of flat or declining budgets, a national effort was made to prioritize project work based on watershed conditions. In Region One, 1952 watersheds were assessed (1078 "good", 826 "fair," and 48 "poor"). EQC will have an opportunity to discuss the issues surrounding the Tenmile watershed later today.

Watershed health is tied, in part, to vegetation conditions. A number of other parameters are also factored in to the watershed condition classification, but based on some of the topics touched upon in your survey to the counties I'd like to focus briefly on forest vegetation management by the Forest Service:

- The Forest Service has several contracting tools available to dispose of merchantable timber on National Forest System lands – timber sale contracts, various forms of service contracts, and the stewardship contract. Of these, the most recent authority given to the agency by Congress is stewardship contracting, and it has been utilized successfully across the Northern Region.
- Stewardship contracting is specifically authorized by Section 323 of P.L. 108-7 to perform services to achieve land management goals for National Forests that meet local and rural community needs.
- Under stewardship authority, the Forest Service may exchange the value of forest products in exchange for restoration service work performed; obligate appropriated funding for service work, or a combination of the two; and enter into stewardship agreements for up to 10 years.
- Stewardship authority has been implemented with success across Region One. On Flathead NF alone since 2001, 18 stewardship contracts awarded, trading \$4.2 million in goods for services, treating over 9000 acres. In addition, the Forest generated \$2

million in retained receipts, which it used to fund over 35 separate stewardship service contracts and stewardship agreements.

Each of the tools which I've mentioned generally represent the final stage in the implementation of a project, which was made possible through direction contained in a Forest Plan, and analyzed in an interdisciplinary process in compliance with the National Environmental Policy Act and other laws. However, a significant number of projects proposed for implementation on National Forests in Montana are currently subject to appeal or litigation.

In fiscal year 2012, the National Forests in Montana sold 122 million board feet, or 258,163 CCF of timber. Approximately 165 million board feet of timber is currently subject to litigation on National Forests in Montana, or projects totaling 19,262 acres. 369,000 head-months (487,000 aums) graze on National Forest System lands in Montana (FY12 info). Project implementation requires decisions, and while the majority of FS decisions are not litigated, more than 25% of the Records of Decision in fiscal year 2012 were litigated. Of the 43 closed cases involving the Northern Region between 2008 and 2012, 22 were brought by two plaintiffs, and were primarily related to wildlife and NEPA issues.

What is the Region doing to more effectively implement projects in the future?

- We're committed to addressing critical regional wildlife issues by developing an update of our scientific understanding of elk, lynx, and other species that can be used in plan revision, forest plan amendments, & project planning. Montana will be an important partner in this.
- We're working to implement the Forest Service's new predecisional review process (often
 referred to as the objection process). This process allows Deciding Official & public to sit
 down and work out any differences / concerns they have BEFORE decision is made. It allows
 Deciding Officer to supplement the record, make corrections, or adjust decision to make for
 a better decision, and ultimately, a project that improves conditions on the ground.
- We have implemented a uniform process for notifying key stakeholders, partners, and the
 general public, known as our Schedule of Proposed Actions. This document, based on the
 same template used on each National Forests and Grassland in the nation, provides
 quarterly updates of project related information, including status and contacts to obtain
 additional information.
- We are fully engaged in a number of collaborative processes across the Region, including two of the Congressionally-sanctioned Cooperative Forest Land Restoration Act projects the Southwest Crown of the Continent and the Clearwater Basin Collaborative along with several local collaboratives at the Forests level. These efforts are based on bringing various stakeholders to the table to discuss commonalities, address differences and make a difference on the ground.

- We have been receptive to requests from other agencies and units of government for participation in the EIS process as a cooperating agency. In fact, the Northern Region has never turned down a request (13) to participate in the NEPA EIS process through completion as a cooperating agency.
- We pursue new partnership opportunities, with other federal, state, and local agencies as well as with NGOs and private entities. In addition to an extensive State & Private Forestry organization at the national and regional levels, the Northern Region also staffs a full time position dedicated to partnerships, as well as full-time liaisons with the States of Montana, Idaho, and North Dakota. Here in Helena, that individual is fully funded by the Forest Service but has a desk in one of your state agency buildings. These individuals reflect the intent of the Regional Forester for greater understanding between the Forest Service and State of Montana, as well as the importance of exploring & developing productive relationships and partnership opportunities.
- Our new Forest planning rule will help make revision of a Forest's land management plan more efficient, and at the same time provide more opportunities for involvement by state and local government.

Looking Forward

- Climate change will profoundly influence NFS lands & FS actions
- Continued private lands development adjacent to NFs will complicate FS actions and decisions
- Legal & administrative challenges of proposed projects are likely to continue
- Nontraditional tools (stewardship contracting, etc) will continue to be utilized to the fullest extent allowed by Congress.
- The revised Forest planning rule should result in a more efficient & inclusive planning process, w/emphasis on state & local engagement & multiparty monitoring (Kootenai NF nearing completion, 7 more MT NFs in FY2014 or beyond)
- Objections process should improve project planning & implementation
- Probable continued decrease in outyear budgets with continued demands for same or greater level of services, meaning that the Forest Service can't do it alone. Collaboration will be key - Successful implementation fuels successful collaboration fuels successful implementation...

Thank you for the opportunity to provide you with a very brief snapshot of the mission, organization, and a few of the issues facing the US Forest Service's Northern Region. I will remain available for questions and look forward to visiting with you during this afternoon's field trip.

An overview of the US Forest Service in Montana September 11, 2013 MT Environmental Quality Council

Deputy Regional Forester Northern Region Missoula, MT

WSDA FOREST SERVICE

Mission

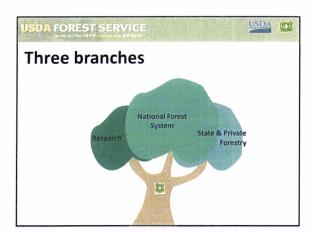
"sustain the health, diversity, and productivity of America's forests and grasslands for the benefit of present and future generations."

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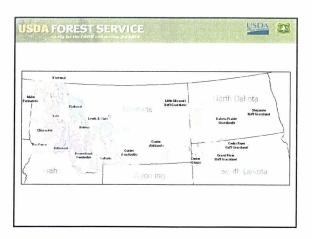


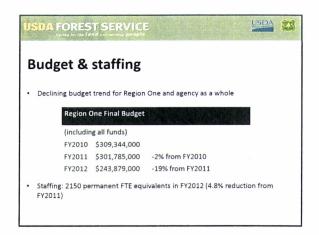


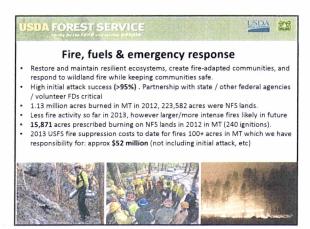


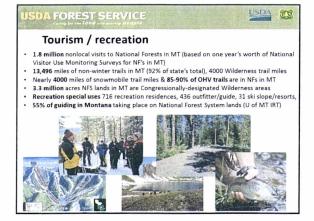












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Restoring, Sustaining & Enhancing NFs	
Recent mountain pine beetle epidemic a result of several factors:	
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Abundance of even-aged, Lack of disturbance events Drought-weakened trees	
mature ladgepole & over the last century ponderosa	
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Providing & Sustaining Benefits for the American People	
20% of drinking water in United States comes from National Forests and grasslands. In MT, many communities (Bozeman >80%, Helena typically at least 70%) rely on even	
more. • Watershed condition framework implemented nationally to assess and prioritize	
watersheds on National Forest System lands. Vegetation conditions are mportant factor in influencing watershed function. The Forest Service has several tools available to implement vegetation mgmt projects.	
Of these tools, the most recent authority is stewardship contracting which has been utilized with success across the Region. On the Flathead NF alone since 2001, 18	-
stewardship contracts awarded, trading \$4.2 million in goods for services, treating over 9000 acres. In addition, the Forest generated \$2 million in retained receipts, which it	
used to fund over 35 separate stewardship service contracts and stewardship agreements. • Cooperative Forest Landscape Restoration Act passed in 2009. CFLR projects for R1	
include Southwest Crown of the Continent (MT), Selway Middle Fork Clearwater (ID), and Kootenai Valley Resource Initiative (ID)	
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USDA FOREST SERVICE	
Litigation & appeals/objections	-
122 MMBF (258,163 CCF) sold by NFs in MT in FY2012.	
Approx 165 MMBF of timber on NFs in MT is currently subject of litigation Majority of R1 decisions are not litigated, but more than a quarter of Records of Decision	
(EIS) were litigated in FY12. Of 43 closed cases involving USFS R1 (2008-2012), 22 were brought by two plaintiffs. Of recent (2008-2012) losses, most are wildlife-related, followed by NEPA compliance.	
 New predecisional review ("objections") process allows Deciding Official & public to sit down and work out any differences / concerns they have BEFORE decision is made. Allows Deciding Officer to supplement the record, make corrections, or adjust decision to 	
make for a better decision, and ultimately, project. R1 has never turned down a request (13) to participate in the NEPA EIS process through	
completion as a Cooperating Agency, including several State agencies (DNRC/FWP) We welcome comment on projects by the State, as well as local govt, partners, citizens, etc. SOPAs available at http://www.fs-fed.us/SOPA	



