Attachment C

USDA

United States
Department of
Agriculture

Forest Service

February 2012

Increasing the Pace of Restoration and Job Creation on Our National Forests

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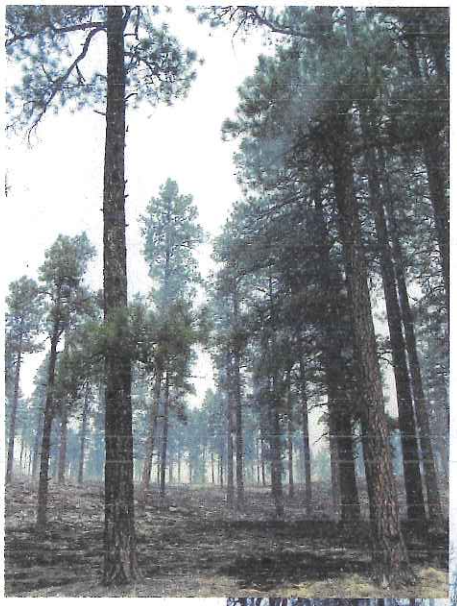
Executive Summary

Restoration of our national forests benefits the environment and creates jobs in rural communities. Increasing the pace of restoration of the Nation's forests is critically needed to address a variety of threats – including fire, climate change, the bark beetle infestation, and others -- to the health of our forest ecosystems, watersheds, and forest-dependent communities. While the intention in this report is to focus on our national forests and grasslands, the need for restoration is an issue that crosses all ownerships; and the U.S. Department of Agriculture's Forest Service is working with partners in an all-lands approach.

The Forest Service is already pursuing a number of policies and initiatives to increase the pace of forest restoration and management on the national forests. The aim of these efforts is to move beyond the conflicts which have characterized forest policy in the past and toward a shared vision that allows environmentalists, forest industry, local communities, and other stakeholders to work collaboratively toward healthier forests and watersheds, safer communities and more vibrant local economies.



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Low severity effects from surface fire on treated lands.

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Shows severity of crown fire in untreated area.

The Forest Service is engaged in a broad range of actions designed to restore the health of the lands and waters of the National Forest System. For example, over the past two years the Forest Service has invested in projects under the Collaborative Forest Landscape Restoration Act (CFLR), created a Watershed Condition Framework to guide watershed restoration, increased the use of stewardship contracting and pursued a number of other policies to increase the pace of restoration.

Within the framework of the overall restoration program, this report focuses on the role of active forest management – including fuels reduction, reforestation, stream restoration, road decommissioning, replacing and improving culverts, forest thinning and harvesting, prescribed fire and a range of other techniques – as important tools to accomplish needed restoration work. The report outlines a series of actions that will allow the Agency to further increase restoration and management on the national forests, including:

- Expanding collaborative landscape partnerships;
- Finalizing and implementing a new forest planning rule;
- Implementing the Watershed Condition Framework;
- Improving the efficiency of the planning process for restoration projects under the National Environmental Policy Act;
- Implementing Integrated Resource Restoration budgeting;
- Implementing the Forest Service bark beetle strategy;
- Expanding stewardship contracting;
- Improving implementation and the efficiency of timber and stewardship contracts; and,
- Expanding markets for forest products from our national forests.

Taken together, these initiatives can increase the pace and scale of restoration and improve both the ecological health of our forests and the economic health of forest-dependent communities.

Introduction

In 2009, Secretary Tom Vilsack offered a new vision for the USDA Forest Service that seeks to move beyond the conflicts of the past and instead emphasizes restoring our forests to benefit water resources, wildlife, and local communities. Given the threats facing our forests and the need for broad scale restoration, the Secretary noted that collaboration among environmentalists, forest industry, local communities and others is absolutely necessary to move beyond conflict and toward accomplishing broadly supported actions that benefit our forests. Indeed, everyone – environmentalists and the timber industry alike – recognize the need to increase the pace and scale of restoration. In so doing, we can increase jobs while improving the environment. Chief Tom Tidwell and the Forest Service have already taken a number of steps towards making this vision a reality. More work remains.

This report identifies the need to increase the pace and scale of restoration on the National Forest System (NFS) and lays out a series of ongoing and future actions that the Forest Service can undertake related to the use of active forest management, particularly mechanical treatments, as one important tool to accomplish needed restoration work.

The Forest Service is engaged in a broad range of actions as part of the overall program of work designed to restore the health and integrity of the lands and waters of the National Forest System. For example, over the past two years the Forest Service has:

- Invested in restoration projects with partners through the CFLR Program;
- Created the Watershed Condition Framework (WCF), which included completing the first ever national assessment of the condition of the 15,000 watersheds across the country that comprise the National Forests and Grasslands, in order to prioritize watershed restoration treatments. The WCF assessment identified 205 priority watersheds, for which the agency will collaboratively develop Watershed Action Plans (WAP) and schedules with partners for restorative treatments;
- Developed innovative Public Private Partnerships that leverage resources to accomplish more restoration work. For example, a partnership with the Denver Water Board is helping to restore national forest lands that are the source of Denver's drinking water;
- Partnered with the National Forest Foundation to establish the Treasured Landscapes, Unforgettable Experiences Conservation Campaign, to foster public stewardship and restoration of a suite of

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national forest landscapes identified for special focus and investment;

- Used tools available to the Agency, such as stewardship contracts to develop more holistic treatments that accomplish multiple resource objectives;
- Developed a Climate Change Roadmap and Scorecard to help units begin to track and respond to the effects of a changing climate on the health and resilience of our natural resources; and
- Worked as a partner on the all-lands Cohesive Strategy, to restore and maintain fire-adapted landscapes, including human communities, and optimize the coordinated response to wildfire and its use as a management tool when appropriate.

In addition to these actions, over the next three years, the Forest Service is committed to increasing the number of acres being mechanically treated by 20 percent. This increase would allow the Forest Service to increase the number of acres and watersheds restored across the system, while supporting jobs and increasing annual forest products sales to 3 billion board feet (the volume of forest products sold was 2.4 billion board feet in 2011). The following sections identify a series of actions that will help the Forest Service accomplish this 20 percent increase.

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The Need for Restoration

The national forests are the backdrop and neighbor to many rural and urban communities, providing a broad range of values and benefits, including clean drinking water for millions of people across the U.S., vital wildlife habitat and a variety of recreation opportunities, all of which are basic to the health of our communities. Our job is to sustain the ability of America's forests and grasslands, both public and private, to deliver the full range of ecosystem services for generations to come. This ability is increasingly at risk. Approximately 65 million acres of National Forest System

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(NFS) lands are at high or very high risk of catastrophic wildfires. A changing climate, invasive species, and other stressors are affecting large areas of national forests and grasslands. Mortality of conifer trees caused by the bark beetle has escalated in the last decade, resulting in nearly 18 million acres on the national forests incurring damage.

The Forest Service is responding by restoring and working to maintain the functions and processes characteristic of healthy, resilient forests and watersheds. The goal is to sustain and restore ecosystems that can deliver all the benefits that Americans want and need. The need for this is evident:

- There are between 65-82 million acres of NFS lands in need of restoration.
- Of the 65-82 million acres of NFS lands in need of treatment, approximately 12.5 million require mechanical treatment which is often required to address decades of fire suppression, insect mortality, invasive species, the effects of climate change and the associated build-up of hazardous fuels to restore more natural forest conditions.
- In 2011, the Forest Service is projected to complete restoration treatments (watershed, forest and wildlife habitat restoration, and hazardous fuel reduction) on 3.7 million acres.
- In 2012, the Forest Service will increase restoration treatments to cover approximately 4 million additional acres of NFS lands.
- In 2011, over 195,000 acres were mechanically treated to accomplish restoration objectives, resulting in 2.4 billion board feet (bbf) of forest products sold, including a small contribution from fuel reduction projects.
- In 2012, the Forest Service projects that 211,700 acres will be mechanically treated to accomplish restoration objectives, yielding 2.6 bbf in forest products sold.

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To address today's challenges, the Forest Service is deploying science-based action to protect the health, resiliency and adaptive capacity of these critical areas and exerting focused managerial effort to improve efficiency and effectiveness of internal operations in order to produce greater on-the-ground results using existing fiscal resources. In some cases, a passive approach to management may be the most appropriate response, for example, where a watershed is well-functioning and resilient. But, in a significant portion of our national forests, a history of fire suppression or other legacy conditions necessitate that the Forest Service take a more active approach to restore more natural conditions, to protect communities and their drinking water, and to sustain other values including recreation and wildlife. This can be accomplished in part through increasing the scale and effectiveness of treatments, and over time, accelerating the pace of projects to treat more acres and employ more people in the work of restoring the national forests.

The Forest Service recognizes the need for a strong forest industry to help accomplish forest restoration work. A vibrant industry can provide both the workforce and the know-how to undertake mechanical treatments and other restoration activities. The forest industry also lowers the direct cost of restoration projects to the taxpayer by providing markets for the forest products that result from restoration projects. Building public support for forest restoration and active management activities is critical. To this end, the Forest Service continues to collaborate with diverse stakeholders in developing restoration projects on national forest lands. Such collaboration not only results in better projects, but it also reduces the risks of litigation thereby accelerating implementation. By stepping up the pace of mechanical treatments to approximately 255,000 acres, the Forest Service could accomplish necessary restoration work while also producing 3.0 bbf of forest products.

Importance of Forest Restoration and Management on our National Forests for Jobs

An additional benefit of this restoration work is job creation. For example, through stewardship contracting and implementation of the Collaborative Forest Landscape Restoration Program alone, the proponents of projects on national forest lands anticipate creating or maintaining 1,550 jobs. The benefits of maintaining a robust forest industry flows not only to local communities. The Forest Service relies on local forest contractors and mills to provide the work force to undertake a variety of restoration activities.

Of course, healthy forests produce jobs beyond the forest industry. A study has shown that every million dollars spent on activities like stream restoration or road decommissioning generates from 12 to 28 jobs[1]. Restoring the health and resilience of our forests generates important amenity values. Healthy, resilient forests and grasslands are magnets for outdoor recreation, with more than 170 million visits per year to the National Forest System. That in turn leads to jobs and economic opportunity.

1 Cassandra Moseley and Max Nielson-Pincus, "Economic Impact and Job Creation from Forest and Watershed Restoration: A Preliminary Assessment" (Ecosystem Workforce Program Briefing Paper #14; winter 2009; Institute for Sustainable Development, Eugene, OR).

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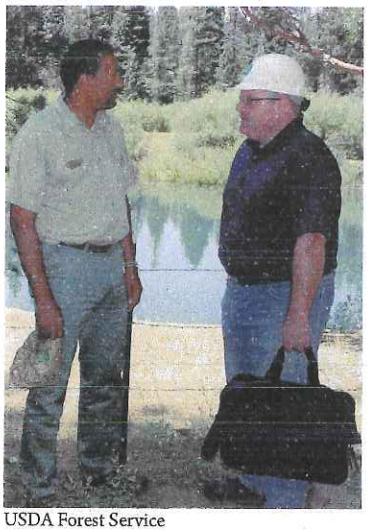
Actions to Increase Forest Restoration and Management on the National Forests

The Forest Service will continue to work toward restoring more acres to accomplish restoration objectives such as clean water and resilient forests. As a consequence, increased outputs of timber and biomass will be realized, adding support to critical wood products and energy infrastructure. There are a number of key agency actions the Forest Service is taking to increase restoration and resiliency of forests through active management. Congress will also play an important role. Indeed, there are a number of actions which will require Congressional support.

1. Expand Collaborative Landscape Partnerships

The Collaborative Forest Landscape Restoration Program, authorized in 2009, has demonstrated that collaboration among diverse stakeholders can facilitate large, landscape scale restoration, thereby improving forest health and increasing timber and biomass production from the national forests. In 2012, the Forest Service requested the full amount of funding authorized by Congress ($40 million). With the additional funding appropriated by Congress in FY2012, the Forest Service will expand to include new projects and continue implementation of the ten projects approved in 2010. The CFLR program highlights the value of public-private partnerships in accomplishing high priority, landscape-scale restoration. By continuing its support for this program, Congress can increase the scale of forest restoration on the national forests.

The Forest Service is also looking for ways to leverage additional collaborative investments in forest restoration. For example, water users and ski resorts in the Colorado Front Range are working with the Forest Service to restore fire damaged forests to benefit water resources and recreation.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2. Finalize and Implement the Proposed Planning Rule

The Forest Service is currently completing a new "Forest Planning Rule" that will govern how the land management plans are written for all 193 million acres in the National Forest System. These land management plans, in turn, guide how lands are managed for multiple uses. The new planning rule is intended to specifically focus on forest and watershed restoration and collaboration, and is a key underpinning to future restoration work on NFS lands. The final Programmatic Environmental Impact Statement for the rule was released in January, 2012. Once the rule is finalized, the Forest Service is prepared to begin implementing it on several national forests. Over the coming years, this rule will help expand the number of acres and watersheds restored on our national forests.

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3. Implement the Watershed Condition Framework (WCF)

In 2009, Secretary Tom Vilsack and Chief Tidwell identified restoring watershed and forest health as the primary objective of the agency. In 2011, the Forest Service finalized the WCF. It provides a consistent and comprehensive approach for classifying the condition of the 15,000 watersheds that comprise the National Forests and Grasslands, prioritizing relative restoration needs, implementing integrated restorations actions, as well as tracking and monitoring outcomes and accomplishments. We began implementing the WCF in 2011, identifying 204 priority watersheds for treatment, directing the collaborative development of Watershed Action Plans and defining a schedule of priority actions.

4. Implement Integrated Resource Restoration Budgeting

The Integrated Resource Restoration (IRR) program is a way for the agency to align its budgeting to focus on landscape scale restoration and resiliency projects across resource areas. This will support a wide spectrum of restoration work by bringing together the

key management resources necessary for maintaining and restoring ecosystem function under one budget line item. This will provide flexibility to the Forest Service to focus on restoration priorities using a more integrated approach to management, without being hindered by primary purpose constraints.

The Forest Service has already begun partially implementing this. With passage of the 2012 Interior Appropriations bill, Congress has provided resources and authorization to implement IRR in three pilot regions of the Forest Service. This will allow the Forest Service to increase the pace of restoration and management in those regions.

5. Improve the Efficiency of the NEPA Process for Restoration

The Forest Service spends significant resources on NEPA analyses for a variety of land management projects. The agency believes it is possible to improve the efficiency of the NEPA process to speed the pace of forest restoration, while not sacrificing sound environmental analysis. The Forest Service is already engaged with the White House Council on Environmental Quality (CEQ) in this effort. The Forest Service and CEQ are working together on a number of ways to accomplish this goal, including:

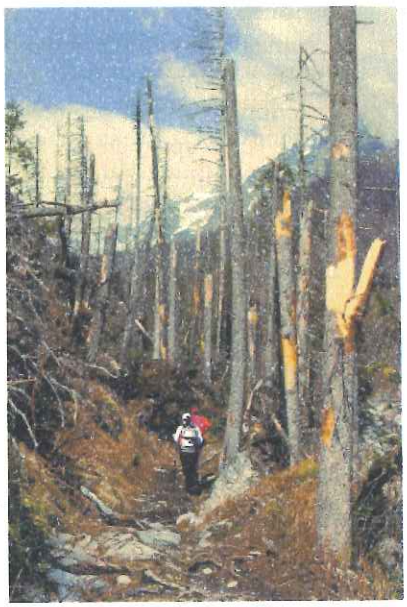
A. Increasing the use of landscape scale NEPA. By developing larger, collaborative, landscape-scale projects, the Forest Service believes it can provide superior analysis while making it easier for the agency to undertake restoration projects. For example, in Arizona's Four Forests Initiative, the Forest Service is working with a variety of stakeholders to develop a restoration plan for 750,000 acres.

B. Increasing capability by proposing new Categorical Exclusions (CE) for restoration activities for soil and water conservation and protection activities.

C. Using the anticipatory, flexible EIS process provides the ability to act quickly when unexpected disturbance events (e.g., insects, disease, weather, fire) occur in the future. A programmatic environmental analysis will be completed across a large area, identifying areas where action can be taken quickly without the need for additional environmental reviews, and allowing for more focused and hence more expedited subsequent environmental reviews in remaining areas.

D. Developing a strategy to maximize restoration in the event of a major fire, or other catastrophe, by using the most efficient existing authorities in current law and policy. Using the most appropriate type of NEPA review for the situation; Healthy Forest Restoration Act, Healthy Forest Initiative, CEs, focused Environmental Assessments, and EISs.

6. Implement the Forest Service Bark Beetle Strategy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Bark beetles in the west have impacted nearly 18 million acres of NFS lands. The Forest Service has developed a bark beetle strategy which focuses management efforts on priority treatment areas to ensure human health and safety and to reduce hazardous fuel conditions. The strategy is being achieved through well-defined goals, objectives, and action items resulting in reducing hazards and increasing the resiliency of forests while producing a commercial timber output as well as biomass products.

7. Expand Stewardship Contracting

Stewardship contracting allows the Forest Service to develop forest restoration projects that provide timber while using proceeds for related activities such as stream restoration, road improvement and others. Extending this authority and expanding the use of this tool is crucial in aiding in collaboratively restoring landscapes through trading the value of forest products for the services needed to get the full spectrum of resource work completed. Stewardship contracting also facilitates the removal of low value material, such as woody biomass, whose removal is critical in areas impacted by bark beetles and other pests.

For its part, the Forest Service is working to expand the use of this tool in the field and to reduce barriers in the past which have discouraged its use. Authority for

stewardship contracting expires at the end of FY2013 and would need to be extended by Congress for the Forest Service to continue using this tool in future years.

8. Ensuring Improved Implementation and Efficiency of Timber and Stewardship Contracts.

Line officers and decision makers will focus on ensuring that implementation of activities, and in particular mechanical treatments, meets the desired condition, identified in forest plans and described in the NEPA documents associated with individual timber sales and stewardship contracts. Conservative silvicultural prescriptions and/or sale preparation often leave more on the landscape than meets the objectives of the desired condition. Implementation of the appropriate forestry prescription for a project can potentially result in removal of more volume, and aid in meeting the 2014 target of 3bbf. Improved implementation of contracts would also result in fewer entries into the same treatment areas, speeding up the treatment of additional areas.

In addition, in many instances, the Forest Service currently requires expensive timber sale preparation and marking that can significantly add to the costs of restoring forest stands. Where appropriate, streamlining timber sale preparation through the use of "designation by description" and other techniques used by other federal agencies, will reduce administrative costs of restoration treatments. This approach will require monitoring by Forest Service personnel, but could be particularly useful in areas where local collaborative efforts have helped design restoration treatments.

9. Expand Markets for Forest Products, Including Woody Biomass Utilization and Green-Building Materials:

Struggling markets for timber have made it more difficult for the Forest Service to undertake restoration projects. The Forest Service is taking steps to assist in the development of new markets. The Forest Service has been working on providing a reliable and predictable supply of biomass for potential investors through 20 coordinated resource offering protocol studies. In addition, the Forest Service is working in partnership with two other USDA Agencies (Rural Development and Farm Services Agency) on 12 Wood-to-Energy emphasis areas that will assist in creating jobs.

The Forest Service is also seeking to promote wood – and wood from our national forests in particular -- as a green-building material. In March, the Forest Service issued a policy that directed all units to increase the use of domestically harvested wood in all new Forest Service buildings and facilities.

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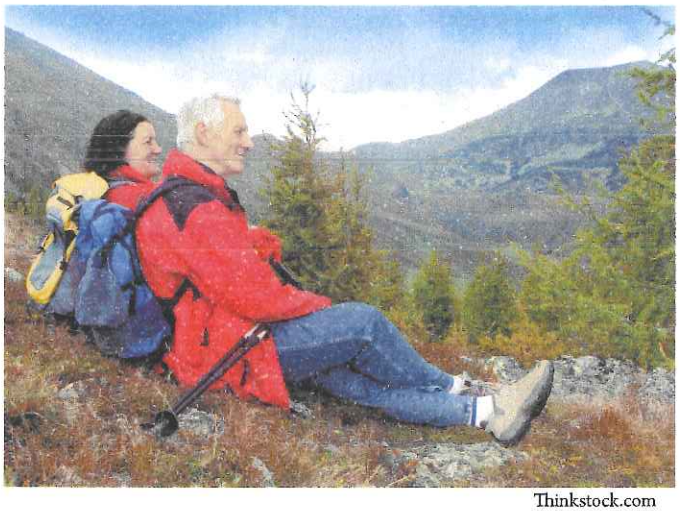

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