



# OFIC

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## OREGON FOREST INDUSTRIES COUNCIL

### PUBLIC TESTIMONY OREGON BOARD OF FORESTRY NOVEMBER 6, 2008

Members of the Board, for the record my name is Chris Jarmer, Director of Forest Policy for the Oregon Forest Industries Council. Thank you for allowing me to comment today.

OFIC has testified on state land issues before the Board on numerous occasions. Notably in 2001 when we reluctantly supported the adoption of the current plan and in 2006 when the "H&H" report was delivered to the Board. But our involvement goes back farther and much deeper than Board appearances.

Dave and I both have been involved in this since 1993 when the first public input process was begun. We have met with the staff on literally dozens of occasions to discuss the technical merits of the debate between traditional forest management and structure based management. Two things stick out in my mind about all of those discussions: first, timber output under SBM was promised to be similar to outputs under traditional management; and secondly, the adoption of SBM would greatly reduce the controversy over public land management and allow ODF "the social license" to manage State owned lands.

Clearly neither of those two things has happened. Projected outputs are dismal, and calls to limit harvest even further are as loud as ever. SBM should have been viewed as an experiment, one we now know has failed to live up to the high expectations of the mid-1990's. It is therefore time to examine which pieces of the plan are constraining you from meeting your fiduciary obligations to the counties and to eliminate them in favor of more traditional approaches.

The plan was originally viewed as a piece of the puzzle to garner support for an HCP. Years of discussion have produced little on that front, so now there is extensive planning for "species of concern." Why? No legal mandate exists for this, yet ODF is proposing significant protections at significant costs to the trust counties. Similarly, extensive riparian protections far beyond those required by the Forest Practices Act continue to be implemented at high cost and unclear, if any, benefit.

Yet the discussions to date have never included an analysis of removing these constraints. Part of your instructions to the staff was to determine how to increase revenue 30-35%. This was not done. No analysis was done that shows the trade off of achieving that goal at the expense of habitat. Yet the reverse is true: the analysis shows that to achieve the structure targets in the short term, harvest levels will barely increase.

We would also point out that the information that you are receiving is incomplete. No return on investment or net present value numbers are presented, nor are projected revenues. While we understand the decision to simplify the reporting, using harvest levels as surrogates, OFIC disagrees with it. Reporting only harvest levels masks the fact that SBM is expensive. From unwieldy thinning prescriptions to leave tree requirements, logging costs increase significantly. Harvests could actually be lower and revenue higher if these requirements were abandoned. And a final note on revenue: we think it would be very, very speculative at this point to rely on significant revenue being derived from payments for ecosystem services.

We would also hope you would see through the notion that these analyses “prove” that ODF has been over-harvesting and that these levels are “unsustainable.” Such claims are patently ridiculous. Harvest levels are low, and dropping, because they are constrained by plan elements, not because the forests aren’t capable of growing and sustaining higher harvest levels. We could argue all day about the number, but managed under a more traditional approach would produce somewhere in the neighborhood of 275-325 MMBF. Every year. Seeing the base case projection of 144 MMBF/year, we worry now that 10 plus years of SBM has already begun to significantly compromise the productivity of the forests.

Finally, both the plan and the greatest permanent value rule are just that, rules. Adopted by a previous board, these rules do not and can not bind the decisions of this or any future Board. To amend or eliminate these rules is completely within your purview, but there has been little mention of this. And when it comes up, great reluctance is expressed. That reluctance has significantly constrained the staff analysis and served to frame your decision in the wrong light. A valiant effort was made to craft a plan with both high harvests and high levels of habitat. This was not doable from the start, and it is time to quit this approach and get back to fulfilling the fiduciary responsibility that these lands are meant to achieve.

Thank you for your time.