

Board of Forestry Testimony April 24, 2019

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The Board of Forestry (BOF) and the Oregon Department of Forestry (ODF) have previously endorsed a process where ODF would proceed with the development of a New Forest Management Plan (FMP) and also move forward in a process to develop an HCP draft. My comments this morning are narrowly confined to the need for developing a New FMP.

Background

More than five years ago an eight person Stakeholder Group was formed by then Governor Kitzhaber and the Department of Forestry. The Stakeholder Group was formed and assigned the task of creating plan alternatives that would increase the financial viability of the existing FMP. The current FMP was not working from a financial perspective. The projections at that time were that the current FMP would generate an annual loss in excess of \$5.0 million. So, the task assigned was to create a New FMP that at a minimum, would solve for this annual loss and also increase conservation outcomes. Plan alternatives were brought forward to the BOF and ODF that would address the twin goals according to the authors. In the end, there was not adoption of any of these plans. However the plan that did receive the most attention and consideration was the 70-30 Plan.

Why we need a New FMP?

- A NEW FMP must be financially viable over the long term. Financial Viability must be increased and durable over the length of the FMP. Except over the last couple of years (fueled by very high markets and accelerated harvest rates on existing and new contracts) the current FMP is not adequate. Please don't be lulled to sleep by the current balance in the Forest Development Fund! Lumber and finished products markets will always be cyclical; the latest up cycle was a welcome gift as ODF and the BOF continue to work on new and improved plans.
- A New FMP must generate sufficient revenues to fund necessary management functions on State Forests. A sustainable program of young growth management, silvicultural practices, inventory management and a robust monitoring program need to be included and self-funded from a New FMP.
- The New Plan needs to be durable not only from a Conservation perspective, but must be balanced and durable from a financial, social and rural community standpoint.
- A New and balanced FMP needs to recognize and address the needs of Forest Trust Counties who are the primary beneficiaries from the revenues generated. This revenue is distributed through the counties to support essential services. Examples are schools, law enforcement, fire departments, and transportation; all are important services to these rural areas.
- The forest products manufacturing industry is located primarily in Rural Communities within these Counties. Employment from this sector provides needed family wage jobs that assist and support the social fabric of these rural communities. Continuation of these businesses provides badly needed family wage employment. Loss of businesses due to timber supply are tragic as evidenced by the recent closure of Georgia Pacific's Sawmill in Coos Bay.

In summary, I encourage ODF and the BOF to stay the course with the development of a NEW FMP.