

Written Testimony, Carolyn Eady (Agenda Item 7: State Forest Management Plan).

As I stated earlier in my verbal testimony, I support the position presented to you by Bob VanDyk at your January meeting. The state forestry data he summarized for the past few years (i.e. no progress in creating complex structure; record revenue; record harvest levels; record department expenses, exceeding inflation by several factors, led him to ask "What is going on?" He acknowledged that *all* state employee costs may be going up at that rate, but if that's true, it needs to be part of ODF's annual modeling and projections. His testimony said to me that the BOF needed to hit the pause button on revising the current FMP.

I am impressed by the number of significant steps that this Board has taken since October; you simply cannot be effective by operating at the 'high policy level.' It is also becoming quite clear that the department's need for additional funding source(s) for the state forest operation is crucial or else the trends summarized by Bob VanDyk cannot begin to be reversed. Seeking tangible value for Ecosystem Services, including sequestering Green House Gases (GHG) is entirely appropriate given the threat we are facing by the increasing pace of global Climate Change (CC).

The Oregon Global Warming Commission (OGWC) laid out the challenges CC poses to Oregon's forest lands in their 2017 Biennial Report to the Legislature. Given our proximity to the ocean and the threat of rising sea levels, tackling these threats is especially important to Clatsop County, as well as to *all* the counties along the length of the Oregon coast. I would only point out that the forestry/climate change connection is a two-way street: forestry practices affect climate change *and* climate change affects the forestland. In an attempt to make local residents cognizant of this, I recently submitted an Opinion article to the Daily Astorian. In a conversation with the editor on Monday, he stated that it would be published within the next week or so. (Attachment A)

Last Fall, I submitted written testimony to the BOF entitled "An Open Letter to the BOF with Copies to the Governor, and Our State Senator and Representative." (Attachment B) This letter was an attempt to present the urgency of taking steps to rein in the destructive practices of 'investor-owned' logging on the entire eco-system, most prominently all along the coast – north to south. As laid out by Talberth et al¹ the State of Oregon has lost over a million acres of forest cover, half of which is in western Oregon, making the state forest operations – private and state - the second highest *emitters of GHG* after transportation. While the study cited was credible, it did not have the refinements that the OGWC would like to see. In a perfect world I would like to see that precision also, but this is not a perfect world. If you go on-line and view "Behind the Emerald Curtain" produced by Pacific Rivers and a Rockaway citizens group most affected, you may have the same reaction as I did – I was horrified! So please don't wait for precision before taking action.

In closing, a personal story. As a former employee at the University of Michigan Hospital, I have a significant proportion of my retirement income through a generous TIAA/CREF plan. At that time, it was only marketed to educational institutions; in the early 2000's, however, they changed their charter and began to market to investors and financial institutions. I recently discovered that they have now become the 2nd or 3rd largest global owner of investment timber holdings. My home in Astoria, which has a view of Young's River in the foreground and the north face of the Coast Range in the background, has an excellent view of clear cuts from Saddle Mtn. to the east to the Warrenton Airport to the west. This is the result of logging operations of Greenwood Resources, a subsidiary of TIAA/CREF! I get mad and motivated every time I pause to look at that view. (See last page for photo)

¹ Industrial Forest Practices Could Be Oregon's Second Largest Source of Greenhouse Gas Emissions, J. Talberth, Sustainable Economy and D. DellaSala, GEOS Institute, 11/17/15.

To: Jim Van Norstrand, Editor
The Daily Astorian
From: Carolyn Eady
Astoria, Oregon 97103
(503) 468-0310
Subject: Proposed Opinion Article

Our world is changing so rapidly, with climate change accelerating to the point where one almost expects to see a major disaster every week, whether it is more intense hurricanes or record-breaking floods or snow storms, one after another. Whole cities and islands have been brought to their knees. Is our only option to sit back and watch this situation get worse? No, but there is much work to be done!

The best climate scientists around the globe are telling us that we have very few years to turn around the situation we are facing:

- Simply reducing Greenhouse Gases (GHG) emissions is no longer enough. The GHG load in the atmosphere must be reduced (i.e. extracting or sequestering GHG) if the young people of today and future generations are to have any chance of a decent life.
- Changes in forestry and agriculture practices offers the best hope of meeting this urgent need.

Even though Oregon is currently not on track to meet its 2020 or 2030 targets for reduction in GHG emissions, I firmly believe that there is a way that Oregon can make a significant contribution to reducing GHG and possibly even influence other states to take similar actions.

While Oregon will always need loggers, mills and wood products, but for a host of reasons, the importance of the timber industry has declined significantly over the past 30 to 40 years. The outdoor recreation industry now employs many more workers than forestry. Although timber industry has a greater significance in Clatsop County than state-wide, by targeting the remedies suggested here, I hope to show that these will not necessarily result in an overall loss of jobs but may actually increase them.

First, we must recognize the extent and type of damage caused by the practices of 'investment-type loggers' on their many millions of acres throughout the State, but primarily along the Oregon Coast. Their overriding concern is to drive down costs so as to improve their bottom line or return on investment (ROI) by a percent or two. To reduce labor costs, whenever possible they use heavy equipment that is degrading the forests, streams and soil. They poison the water, air and all forms of life with excessive and careless aerial spraying of pesticides and fertilizers. With harvest rotations as short as 25 years, they have reduced forest cover, a major contributor to GHG emissions. (Cover is defined as sufficient growth in the canopy as seen from the air to cover or shade one-third of the ground. In this area that requires trees that are about 15 years old.) These absentee owners have been clearcutting 45% faster than the new replacement plantings can grow, which has created one million fewer acres of forest cover in Oregon over the last 15 years.

A recent study documented how the practices of both investment-type logging and, to a lesser extent, the state forest logging, are contributing one-quarter of all state GHG emissions, exceeded only by the transportation sector. Due to an accounting trick in effect since 2002, these emissions are not being counted, even though

these damaging practices are costing the people of the state many billions of dollars in associated costs, while the global investment owners are walking away with a healthy return on their investment.

Meanwhile, the Oregon Department of Forestry (ODF) will not have sufficient funds to cover its expenses in a few years. The amount of revenue currently being generated by its one-third share of the revenue from state timber harvests is not a viable long-term solution to their funding problem. In an attempt to improve this situation, ODF staff recently produced a document called 'The Way Forward.' This document was notable for the various techniques used by the staff to minimize the impact or skirt the current Forest Management Plan requirements to generate more revenue, while there was not a single reference in this document to its impact on conservation goals.

I do not claim to have the only answer to these issues, but I would like to propose some 'rules' or parameters for approaching them:

1. Prioritize: There are a number of problems related to forestry in Oregon, but the fact that forestry practices in Oregon are a major contributor of GHG to climate change must rise to the top as most urgent.
2. Keep the initial correction as simple and straight-forward as possible: The initial action need not solve all pending problems, but if prompt action would result in a 90-95% reduction in the GHG being emitted in Oregon, that in itself would be a tremendous achievement!

Here is a proposal that I believe meets these parameters:

The state would require that every large industrial timber company's logging books be available for periodic state audits. The purpose would be to ascertain the acreage of young trees at least 15 years or older that had not previously credited to an earlier operation. Unless they have acreage of this type that equals or exceeds the acreage of the operations planned for the coming year, they must cease all planned logging operations until a re-audit shows there have sufficient acreage to balance these planned operations.

With the above restrictions, I think many large industrial owners who practice responsible and sustainable forestry may actually welcome these restraints on investment owners who are tarnishing all of their reputations.

The investment owners started their logging operations on some of the best land in the country for growing trees and sequestering carbon; now they must use chemicals to grow trees and are a major contributor to GHG emissions, all while clearly violating the current FPA. Legal review would determine if they have a liability for restoring and replanting these damaged holdings, but state authorities should move promptly to prevent further degradation and emissions while they seek domestic and global funding to restore these degraded ecosystems. This restoration work could also foster rural economic growth by creating many additional jobs to do this essential work.

Conclusion: My hope is that many Oregon citizens will step forward to urge the Board of Forestry to take the lead in this effort to enforce the FPA and to seek the support of their legislative representatives and the Governor in this effort. This is a way for Oregon to re-establish its reputation as a national leader in environmental policies. The need has never been greater to do our part to help insure that our young people and future generations will enjoy a quality of life that we have enjoyed.

OPEN LETTER TO THE OREGON BOARD OF FORESTRY MEMBERS

October 6, 2017

Over the last twenty years I have tried to give informed testimony to this board. I am grateful that you have devoted so many hours as volunteers to carrying out your duties. Now Oregon – and the BOF – must tackle a serious and urgent matter: the impact of Oregon's forestry practices on climate change.

Our world is changing rapidly, with climate change accelerating to the point where one almost expects to see a major disaster every week, whether it is much more intense hurricanes or record-breaking floods happening in rapid succession. The best climate scientists around the globe tell us that we have very few years to turn this situation around. Simply reducing Green House Gases (GHG) emissions is no longer enough. We must actually reduce the GHG load in the atmosphere by extracting the GHG and sequestering the carbon if our young people and future generations are to have a livable future.

Oregon in particular faces a daunting challenge. According to the Oregon Global Warming Commission's most recent Report, Oregon will not meet its 2020 or 2030 targets for reduction in GHG emissions. It is widely accepted that a change in forestry and agriculture practices offers the best hope for achieving these goals.

Currently, Wall Street loggers', and to a much lesser extent, ODFs' practices, are contributing one-quarter of the state's GHG emissions, exceeded only by the Transportation sector. Because of their overriding concern to drive down costs to improve the return on their investment, these absentee owners have rotations as short as every 25 years. They are cutting their stands faster than the new plantings can grow, thus greatly reducing forest coverage¹ and destroying a million acres of forestland in the last 10 years. They are also degrading the health of Oregon's forests, streams and soil, as well as poisoning our water, air and wildlife with excessive use of herbicides and fertilizers. According to a 2015 study by BLM, these damages are costing Oregonians billions of dollars, while the owners are walking away with a 5% return on their investment.

I do not claim to have all the answers to this troubling link of Oregon forests to climate change, but I would like to propose some 'rules' or parameters for approaching this crucial issue:²

1. Prioritize. While there are a number of problems related to Oregon forestry, including the ODF funding issue, the specific forestry practices that are contributing to climate change must rise to the top as most urgent.

¹ Coverage is defined as sufficient growth in the canopy as seen from the air to provide to cover or shade on the ground. The time varies, but in this area, it is usually 13-15 years.

² See the Attachment for excerpts from The Third Oregon Climate Assessment Report, January 2017

2. Keep the initial correction as simple and straightforward as possible. The initial actions need not solve all aspects of this issue. If prompt action would result in a 90-95% reduction in the GHG being emitted, that would be a tremendous achievement!

Here is one proposal: In order to enjoy the privilege of logging in Oregon, loggers in Oregon including ODF, would have to meet the new requirements set by the state. It would be required that their logging and re-planting records be available for periodic state audits. The purpose would be to ascertain the age and acreage of clear cuts over the past fifteen years and the acreage and status of re-plantings during that same period. If the acreage of the young stands does not equal or exceed those of the clear cuts, then logging operations would cease until another audit shows that they have 'caught up' in the particular county or region with a deficit situation. There should be very sizeable fines if they violate this rule. Given their recent history, this proposal would obviously have a major impact on the Wall Street loggers; they would no longer have a 'license' to continue their destructive logging practices in Oregon. It will force a re-thinking of ODF's recent practices.

Before you dismiss this idea as totally unrealistic, consider the following:

1. Nearly half of the state's total acreage or about 30 million acres of are classified as forestland. Six million of these acres are classified as Large Private³, half of which or 3 million acres is owned by Wall Street loggers. Thus, they own about 10% of the total forestland in the State.
2. This primary impact of this proposal would be on the Wall Street loggers. I believe the vast majority of the other 50% of large private land owners practice sustainable forestry and would actually welcome the implementation of this proposal.
3. The actual number of workers displaced would be relatively small as the Wall Street operations are highly mechanized. Large machines are now able to 'mow down' trees on both flat and hilly stands, each of which replaces 8 workers, their highest cost item.
4. The costs to Oregon of restricting these GHG and monitoring compliance to the new rulers will be negligible compared to the social costs of doing nothing; these latter costs would likely run into the billions of dollars.
5. Even though Forestry is no longer the driving force it once was in the Oregon economy (about 1% today vs 12% in 1961), this proposal in no way changes the fact that Oregon, with its bounty of forestland, will always need loggers, saw mills and businesses that produce wood products.

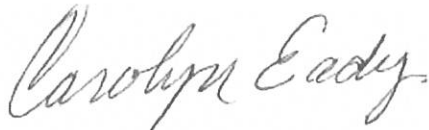
³ See Oregon Forest Resources Institute's Summary of Forestry & Wood Products in Oregon, 2017 (OregonForests.org)

With the Board's leadership and the essential support of the Governor and Legislature, Oregon has the opportunity to re-imagine its future: to stimulate the state's economy, to begin to replenish the damaged forestland and to make a significant contribution to controlling climate change, while regaining its role as a leader of smart, sustainable forestry practices with enforceable measures to take us through the century.

I welcome your views on this proposal. My hope is it will inform your discussions at your upcoming retreat. If there is any way I can clarify or facilitate your efforts, please let me know.

Thank you again for your service to Oregon.

Cordially,

A handwritten signature in cursive script, reading "Carolyn Eady".

Astoria, Oregon 97103

(503) 468-0310

CC: Governor Kate Brown

Senator Betsy Johnson

Representative Debbie Boone

