



WESTERN GOVERNORS' ASSOCIATION

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November 3, 2011

The Honorable Jeff Bingaman
Chairman
Senate Energy and Natural Resources
Committee
304 Dirksen Senate Building
Washington, DC 20510

The Honorable Doc Hastings
Chairman
House Natural Resources Committee
1324 Longworth House Office Building
Washington, D.C. 20515

The Honorable Lisa Murkowski
Ranking Member
Senate Energy and Natural Resources
Committee
304 Dirksen Senate Building
Washington, DC 20510

The Honorable Edward J. Markey
Ranking Member
House Natural Resources Committee
1329 Longworth House Office
Building Washington, DC 20515

Dear Senators Bingaman and Murkowski and Representatives Hastings
and Markey:

Western governors believe there is an urgent need for a dialogue
among state and federal leaders to reform the management processes and
policies on our federal public lands, the majority of which are in the
Western states.

Millions of acres of dead and dying trees and the rapid spread of
invasive species are evidence that the ecological health of our federal
forest lands continue to decline. Poor forest and rangeland health are
negatively impacting wildlife habitat, water quantity and quality, long-
term soil productivity and local communities.

Active federal land management would improve forest function
and environmental values, while increasing economic stability in our
Western communities. Rural communities have been particularly hard hit
with declining timber harvests and a loss of shared revenues from federal
lands.


Congress must assure that forest and land management practices
restore healthy and resilient landscapes for the nation. Such practices will
also create much needed social benefits, jobs and revenues.

Federal forest and land management systems can be improved.
Western Governors have direct experience and specific recommendations
for improving these systems, many of which are captured in our attached
policy on "Large Scale Forest Restoration." In addition, other possible
land management models and solutions are being discussed among our
members. We urge Congress to work together, and with our states, to
ensure that federal land and forest management agencies have the
necessary authority and incentive to implement these creative,
collaborative solutions we have pioneered in the West. The dialogue needs
to begin now.

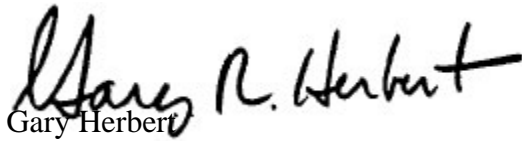
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We look forward to your thoughts on this important matter. Please have your staff contact Ann Walker, Program Director for Forest Health at the Western Governors' Association, if you have any questions.

Sincerely,



Christine O. Gregoire
Governor of Washington
Chair, WGA



Gary Herbert
Governor of Utah
Vice Chair, WGA

cc: The Honorable Harry Reid, Senate Majority Leader
The Honorable Mitch McConnell, Senate Minority Leader
The Honorable John Boehner, Speaker of the House
The Honorable Nancy Pelosi, House Minority Leader

**Western Governors' Association
Policy Resolution 11-01**

Large Scale Forest Restoration

A. BACKGROUND

1. Millions of acres of dead trees and a tripling of insect and disease mortality along with scorched watersheds, and stagnant, overgrown forests are but a few of the symptoms of the widespread forest health problem in the Western United States, especially on federal lands. Foresters are seeing dramatic increases in tree densities, understory brush and “ladder fuels” that carry fire into the tree crowns and spread rapidly. The forest health problem is widespread and increasing, affecting wildlife habitat, water quality and long-term soil productivity, while placing human life and property in harm’s way.
2. Although much has been accomplished related to fire suppression and response with the implementation of the National Fire Plan and the passage of the Federal Land Assistance, Management and Enhancement Act (FLAME Act), the need to address forest restoration is equally critical. This is especially so given current small-scale treatment sizes, slow rates of restoration treatments, and typical planning and implementation processes.
3. Although some forest restoration work is ongoing, planning and implementation should occur at a scale commensurate with the scale at which dominant disturbances (i.e., unnaturally severe fire) are occurring. At these scales, restoration can and should provide predictable supplies of forest products, including small diameter timber and woody biomass. These predictable supplies are necessary to build or maintain the infrastructure and industry needed to implement forest restoration treatments in a cost-effective manner. Restoration at these scales should also facilitate cross-ownership planning and implementation, which would provide needed balance among local, state and federal cooperators in management decisions.
4. Approaches like Stewardship end-result contracting and multi-year contracts are important tools for landscape-scale restoration, but they have not yet been operationalized at scales large enough to meet many larger-scale restoration goals.
 - a. Stewardship end-result contracting is a flexible tool that can be valuable in implementing multi-year and large-scale treatments on federal lands to compliment other important work being completed across management boundaries. Two federal agencies, the Forest Service and the Bureau of Land Management, were given broad authority in 2003 to use stewardship contracts and agreements. Since then, a number of field-level projects have demonstrated the potential of stewardship contracting to facilitate the effective and efficient accomplishment of a broad range of activities within large-scale treatment projects.
 - b. Multi-year contracts are an important tool for large-scale restoration but are not typically used because of the Federal Acquisition Regulation (FAR) requirement for a

contingent liability or “cancellation ceiling” reserve. Requiring the full cancellation liability amount to be set aside can be prohibitively expensive and creates a disincentive for federal agencies to enter into multi-year stewardship contracts. The Government Accountability Office studied this issue and noted in November 2008 that the Forest Service needs to find new strategies to fund the cancellation ceiling. Administrative and legislative options should be explored to alleviate or fund the burden of cancellation liability requirements for multi-year stewardship contracts while ensuring contract obligations are met.

5. At the Governors’ request the WGA Forest Health Advisory Committee conducted a Large Scale Forest Fuels Projects and Collaborative Groups Improvement Study and a restoration workshop. The WGA FHAC report identifies numerous obstacles, such as the lack of meaningful, ongoing collaboration that serves to accelerate the restoration process in a socially, ecologically and economically viable fashion. The report also identifies that larger scale restoration efforts are hindered by issues related to the implementation of the National Environmental Policy Act and the lack of clear direction and agency assumptions about NEPA that collaboration must be narrow and limited once project planning enters a formal NEPA process.
6. The FHAC strongly believes that investment in larger scale forest restoration efforts, keyed by collaboration among interested parties and an effective NEPA process are vitally important to the environmental, social, and economic fabric of the Western states. Pursuing restoration of the nation’s forests will generate tremendous environmental and social benefits, create much needed jobs and revenue for rural economies, and significantly reduce the long-term cost of wildfire, including impacts to watersheds, ecosystems, infrastructure and the local economy. Specifically, these costs include property loss, post-fire impacts such as flooding and erosion, air and water quality damage, increased healthcare costs, and lost revenues due to infrastructure shutdown.

B. GOVERNORS’ POLICY STATEMENT

1. Large-scale restoration efforts would benefit by improved federal agency guidance and consistency of collaborative stakeholder involvement throughout the implementation of the National Environment Policy Act.
2. The Departments of Interior and Agriculture, in consultation with the WGA, should develop collaboration plans for large-scale forest restoration projects that include federal lands, to ensure open, inclusive, transparent, accessible and meaningful stakeholder involvement, and maximum flexibility for innovation and budget stability. Land managers implementing larger-scale restoration initiatives should develop rolling five-year action plans based on appropriate assessments and priorities, such as those set in Statewide Forest Resource Assessments and Strategies, and include work of timber, vegetation, and wildlife management programs. Priorities should be collaboratively developed with the affiliated stakeholder groups and regulatory agencies.

3. Federal agencies should ensure that Forest, Resource and Fire Management Plans coordinate with and incorporate the plans and policies of state and local governments, and consider the plans of regional collaborative groups which include state and local governments, with respect to larger-scale restoration efforts and community wildfire protection.
4. Adaptive management programs are one of the key tools for assessing the effectiveness of many land management programs around the West. The Departments of Agriculture and Interior, states and others would benefit from a six-month review of adaptive management programs implemented within the past 10 years that attempt to assess and improve the effectiveness of large-scale forest or ecosystem health restoration efforts.
5. The Administration, in association with states, should review options to address the difficulties caused by cancellation ceilings associated with stewardship contracts for large-scale treatments, including the potential costs and issues related to the permanent reauthorization of stewardship contracts.
6. Federal agencies should investigate the needs of individual mills and restoration contractors and develop an efficient outreach system to address those needs. Efforts should be made to modify existing grant programs and create new programs that will support the critical wood processing infrastructure that is necessary for forest health restoration treatments to be economically viable.
7. Governors generally support the base concepts within the proposed Collaborative Forest Landscape Restoration Program and encourage the federal agencies to establish a Community Capacity and Collaborative Support Grant Program to ensure that rural communities are engaged in large-scale forest restoration and contributing to forest health solutions where they live.
8. Governors support federal agencies making significant investments in large-scale restoration treatments by realigning their existing resources to achieve maximum impact on forest health.

C. GOVERNORS' MANAGEMENT DIRECTIVE

1. The Governors direct WGA, in collaboration with the Departments of Agriculture and Interior, to form a Collaborative Forest NEPA Working Group to examine existing law, regulation, judicial opinion, and recommendations related to NEPA which are found in the Council of Environmental Quality Collaboration in NEPA: A Handbook for Practitioners, and other laws such as the Federal Advisory Committee Act (FACA) to maximize the ability to create collaborative problem solving groups focused on large-scale forest restoration efforts, and to successfully navigate the requirements for NEPA review of those efforts. The Governors ask WGA to work toward formal recognition of the best practices determined during this review, and to have this recognition widely distributed within the Departments.

2. The WGA in collaboration with the Secretary of Agriculture and Interior working with other federal, state and non-governmental organization partners, should convene a task force to identify best practices for large-scale restoration and provide assistance to collaborative groups in assessment and planning efforts.
3. The Governors support WGA, in consultation with federal agencies, private sector partners, land managers, research and policy experts establishing a learning network in order to address emerging challenges and find synergies and efficiencies among large – scale forest restoration efforts by regularly convening collaborators from among restoration initiatives around the West.
4. The Governors direct WGA staff to work with federal and state agencies, tribes and private sector partners to convene a workshop for sharing of lessons learned about stewardship contracting authorities and implementation opportunities across state and regional boundaries and among collaborative groups, partners, contractors and federal and state agencies. This information should be used to support changes in administrative policy, or any statutory language changes, and incorporated into planning for reauthorization of the Stewardship Contracting Authority.
5. The Governors direct WGA to survey the member States with respect to the concerns and solutions related to creation of a bonding authority or utilization of existing authorities and bonding entities in order to enable contractors to obtain affordable and appropriate bonding for timber and stewardship contracts.
6. The Governors direct the WGA to work in coordination with the Departments of Agriculture and Interior to jointly commission a six month review of adaptive management programs and formulate proposed guidelines for the implementation of an adaptive management approach for large-scale restoration efforts in the Western states.
7. The Governors direct the WGA to work with the states to determine the economic necessities for wood product mills and other wood –use industries to be economically viable, and to transmit this information to federal agencies.
8. The Governors authorize WGA to seek funding from the federal Administration from existing sources to assist it with the implementation of this resolution.
9. WGA shall post this resolution to its web site to be referred to and transmitted as necessary.
10. WGA shall continue to monitor this issue and to report to the Governors as necessary.

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