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Spotted Owl

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**IMPACTS OF NATIONAL FOREST  
LAND MANAGEMENT PLANNING  
ON THE COMMERCIAL FOREST LAND BASE  
AVAILABLE FOR TIMBER MANAGEMENT  
IN OREGON**

**MASON, BRUCE & GIRARD, INC.  
MAY, 1990**

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## I. INTRODUCTION

The volume of timber harvests flowing from national forests is critically dependent upon maintaining a commercial forest land (CFL) base dedicated to timber production. Over the last 20 years, there have been major reductions in the CFL available for harvesting. The CFL base has steadily been reduced due to wilderness legislation and Forest Service decisions allocating these lands into categories of reduced or no timber yield.

This report summarizes the acreage reductions to the national forest CFL base between 1972 and 1990. The report accompanies a base map and a series of map overlays which show land management changes on the national forests.

Many people do not fully understand the prevalence of new management strategies in the national forests' land management plans which emphasize non-timber values. These maps are designed to portray the general changes in land management over time and, specifically, the shift away from timber management land allocations. Because of the map scale and data limitations for some periods, the map does not provide a detailed portrait of all changes.

Up to the early 1970's, the Forest Service's planning and harvest scheduling procedures were relatively simple compared to the present. Most national forest plans did not stratify major parts of the forest land base into the numerous, dominant use categories we see today (such as visual, wildlife, riparian, etc.). Prior to 1970, the

total area of land available and capable of growing commercial timber was called the commercial forest land (CFL) base. Most of the CFL base was assumed to be available for timber management at full yield even though it was not all necessarily programmed for harvest.

Then, in the mid-1970's, there were major changes in the Forest Service land management planning process. The Forest Service began to group land into standard, special, marginal and unregulated components. The sum of these four components equaled the CFL base. The timber producing capability of some special, marginal and unregulated lands, though, was reduced to recognize other resource values.

Throughout the late 1970's, this allocation process accelerated primarily because of heightened environmental concerns.

Entering the 1980's, the Forest Service's land management planning process continued to evolve. The process was affected by the National Forest Management Act (NFMA) in 1976 and subsequent agency regulations. New terms and definitions for forest land classifications were adopted. Now the forest lands are classified as either suitable or unsuitable for timber production. Still there are no assurances that CFL will remain suitable since the Forest Service continues to allocate the CFL base into areas emphasizing non-timber values. These changes are shown in the map overlays.

To summarize, over the last 20 years, there have been two major factors that reduced the availability of productive CFL for timber management. The first was a loss of CFL acreage because of shifts to uses such as wilderness, wildlife or stream-side

protection zones that allow no timber harvesting. The second was the allocation of more CFL to management classes, e.g. visual, wildlife, etc., whereby timber management is reduced to less than full yield.

## **II. CHRONOLOGY OF LAND MANAGEMENT CHANGES ON OREGON'S NATIONAL FORESTS**

The accompanying forest maps and overlays illustrate the dramatic change in management of our national forests in the Oregon Cascades and Oregon Coast. In these maps, the green represents commercial forest land (CFL) that is available for timber management emphasis. On the 1970 base map, the green also covers some non-commercial forest land because maps showing the non-forest delineations were not available. Therefore, the green may visually over-portray the actual area of CFL in 1970.

The red displays national parks, wilderness and other areas where timber harvesting is prohibited. The yellow displays land designations where non-commodity management has primary emphasis, such as visual or wildlife. In most, but not all, of the yellow areas, timber harvests are reduced. The grey in the final overlay portrays the Habitat Conservation Areas (HCA's) recommended by the Jack Ward Thomas Committee to conserve spotted owl habitat.

### III. THE LAND BASE AS OF 1970

The map shows the eight national forests located in the Oregon Cascades and Oregon Coast between the Washington and California borders. The eight National Forests - Mt. Hood, Willamette, Deschutes, Umpqua, Winema, Rogue River, Siskiyou and Siuslaw - cover a total area of about 8,600,000 acres. Of this area, the CFL, in 1972, was about 7,300,000 acres or 85 percent of the total Forest Service ownership (Exhibit I). These are the green areas on the base maps.

In addition to the national forests, there is the Crater Lake National Park and the Oregon Dunes National Recreation Area. These parks total 204,000 acres. Estimates of the commercial forest land in these parks is not available. The acreage of the national parks and recreation areas is shown in Exhibit II.

Within the eight national forests in 1970, there were seven major wilderness areas established which totaled 494,900 acres. We estimate about 60 percent of this area was CFL (Exhibit II). Because of the legislation which established these areas, timber harvesting was permanently prohibited.

In addition to the established wilderness areas, the base map also shows a few areas that the Forest Service allocated for non-timber management. These allocations were not the result of congressional legislation but were administrative decisions. These areas are shown in the light pink on the base map. There were other such areas in 1970, but maps for them are not available.

#### **IV. WILDERNESS ADDITIONS BETWEEN 1970 AND 1990 (OVERLAY ONE)**

Between 1970 and 1990, there were numerous wilderness additions in the eight Oregon National Forests. The wilderness additions occurred in 1978 and 1984 (Exhibits II and III). The CFL within these wilderness areas totaled about 475,000 acres or 65 percent of the area.

#### **V. MULTIPLE USE LAND STRATIFICATIONS (OVERLAY TWO)**

Through the 1980's, under the directives of the RPA and NFMA, the Forest Service added numerous land management designations to its land management plans.

Additional set asides have removed CFL from timber management. In its land management planning documents, each national forest provides maps of the land allocations proposed in the land use plan. These are portrayed in the second overlay.

The current preferred alternatives in the land management plans contain additional land allocations which do not schedule timber harvesting, such as wildlife zones, roadless areas, or old growth preserves. These are the new red areas shown in the second overlay.

The Forest Service has also recommended land allocations emphasizing non-commodity values with modified timber harvest prescriptions, most of which result in reduced yields. These areas are yellow on the overlay.

Through the first and second overlays of red and yellow, the remaining CFL base with timber management emphasis is seen as the green areas. As is readily apparent, the amount of CFL available for timber management has significantly declined. In 1972, the CFL totaled about 7,300,000 acres. Based on the Forest Service's recommended land management allocations in their draft or final environmental impact statements, the land now available (suitable) for timber management totals about 4,956,800 acres. This is a 32 percent reduction (Exhibit IV) from the area available in 1972.

Of the suitable forest land area, full timber yield is projected on about 80 percent or about 4,030,800 acres. Less than full yield is projected on the remaining 926,000 acres (Exhibit IV).

#### **VI. SPOTTED OWL HABITAT AREAS (SOHA'S), PINE MARTEN, AND PILEATED WOODPECKER LAND ALLOCATIONS**

In addition to the land allocations shown in the second overlay, the Forest Service land management plans provide for spotted owl, pine marten, and pileated woodpecker habitat areas. Many of these areas overlay suitable land. The locations of the spotted owl habitat areas (SOHA's) and related sites are not shown on the Oregon map. This is because the Forest Service is re-examining the designations of these areas given the recommendations of the Thomas Committee Report. Thus, these Forest Service stratifications will likely change before the Final Environmental Impact Statements (FEIS) are completed.

All of the SOHA's are "dedicated" which means that timber management is prohibited. In some national forests, timber management will be allowed on the pine marten and pileated woodpecker sites, but extended rotation periods (thus reduced yields) will be used.

## **VII. HABITAT CONSERVATION AREAS - SPOTTED OWLS - OVERLAY THREE**

In October, 1989, an interagency scientific committee was established under Section 318 of Public Law 102-121 to review the conservation of the spotted owl. Out of the recently released report from this committee came a recommendation that habitat conservation areas (HCA's) should be established over the range of the spotted owl. Each major HCA (called categories 1 and 2) will provide permanent protection for up to 20 nesting pairs. Smaller HCA areas were also created to protect individual owl pairs. Timber harvesting will not be allowed in the recommended HCA's. The habitat conservation areas touching or contained within national forests cover both suitable and non-suitable forest land. These are shown on the last overlay as the grey areas. Recent Forest Service estimates show that about 1.9 million acres of forest land area are included in the recommended habitat conservation areas. Of this, 46 percent or 880,000 acres are on suitable forest land.

We estimate that there are about 611,200 acres of HCA areas covering the Western Oregon BLM districts (Exhibit V).

The summary of the HCA acreage in Exhibit V does not include the area of HCA's outside the national forests or BLM boundaries. There are also large acreages of private and State of Oregon forest land included in the Thomas Committee recommendations.

EXHIBIT I

-----  
 AREA OF OREGON NATIONAL FORESTS

NATIONAL FOREST	TOTAL AREA	COMMERCIAL FOREST LAND AREA
-----	-----	-----
Mt. Hood N. F.	1,115,000	1,033,000
Willamette N. F.	1,666,000	1,324,000
Deschutes N. F.	1,598,000	1,368,000
Umpqua N. F.	975,000	874,000
Winema N. F.	909,000	814,000
Rogue River N. F.	631,000	546,000
Siskiyou N. F.	1,087,000	746,000
Siuslaw N. F.	625,000	589,000
Total Oregon N. F.	8,606,000	7,294,000

SOURCE: U.S. Forest Service Timber Management Plans and Inventory Statistics, 1965-1971; U.S. Forest Service, Summary of Timber Sale Accomplishment and Allowable Harvest on the National Forests, FY 1972.

EXHIBIT II

ORIGINAL NATIONAL PARK AND WILDERNESS AREAS  
AND CHANGES TO ORIGINAL WILDERNESS AREAS  
WESTERN OREGON

	ORIGINAL AREA	ADDITIONS BETWEEN '70 AND '89	CURRENT AREA	
			COMMERCIAL FOREST LAND	TOTAL
Diamond Peak Wilderness-1964	35,440	15,700 (1984)	39,800	51,140
Kalmiopsis Wilderness-1964	78,850	92,000 (1978)	119,200	170,850
Mountain Lakes Wilderness-1964	23,070	0	11,900	23,070
Mt. Hood Wilderness-1964	14,160	33,000 (1978)	10,300	47,160
Mt. Washington Wilderness-1964	46,650	6,400 (1984)	31,700	53,050
Three Sisters Wilderness-1964	196,710	83,500 (78 & 84)	195,600	280,210
Mt. Jefferson Wilderness-1968	100,000	6,800 (1984)	76,100	106,800
<b>TOTALS</b>	<b>494,880</b>	<b>237,400</b>	<b>484,600</b>	<b>732,280</b>
Crater Lake Nt. Park- 19	174,360	8,840 (1982)	N/A	183,200
Oregon Dunes Ntl. Recreation Area - 1972	N/A	N/A	N/A	20,800

SOURCE: Wilderness Area Timber Resource Values, National Forest System, 1985. U.S. Forest Service, Region 6, Portland, OR. Browning, James A., John C. Hendee and Joe W. Roggenbuck. 1988. 103 Wilderness Laws: Milestones and Management Direction In Wilderness Legislation, 1964-1987, University of Idaho, Idaho Foest, Wildlife and Range Experiment Station, BN 51, Mowcow, ID.

EXHIBIT III

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 WILDERNESS ADDITIONS IN WESTERN OREGON  
 AFTER 1970

NAME OF WILDERNESS	DATE OF ADDITION	COMMERCIAL FOREST LAND AREA	TOTAL AREA
Wild Rogue	1978	23,300	36,700
Columbia	1984	29,400	39,000
Salmon-Huckleberry	1984	39,300	44,600
Badger Creek	1984	14,400	24,000
Bull of the Woods	1984	32,700	34,900
Drift Creek	1984	5,600	5,800
Rock Creek	1984	7,200	7,400
Cummins Creek	1984	9,000	9,300
Boulder Creek	1984	18,500	19,100
Rogue-Umpqua Divide	1984	25,000	33,200
Waldo Lake	1984	32,900	39,200
Menagerie	1984	4,800	4,800
Middle Santiam	1984	7,100	7,500
Grassy Knob	1984	11,000	17,200
Red Buttes	1984	12,900	3,400
Sky Lakes	1984	45,000	116,300
Mount Thielson	1984	23,200	55,100
<b>TOTAL</b>		341,300	497,500

SOURCES: Wilderness Area Timber Resource Values, National Forest System, 1985. U.S. Forest Service, Region 6, Portland, OR. Browning, James A., John C. Hendee and Joe W. Roggenbuck. 1988. 103 Wilderness Laws: Milestones and Management Direction In Wilderness Legislation, 1964-1987, University of Idaho, Idaho Forest, Wildlife and Range Experiment Station, BN 512, Moscow, ID.

EXHIBIT IV

CHANGE IN THE NATIONAL FOREST  
LAND BASE AVAILABLE  
FOR TIMBER HARVEST  
BETWEEN 1972 AND 1990

NATIONAL FOREST	AREA OF COMMERCIAL FOREST LAND IN 1972	AREA OF SUITABLE FOREST LAND IN 1990			CHANGE IN ACREAGE	% CHANGE FROM 1972	
		FULL YIELD	MODIFIED YIELD				
			50-99%	1-49%			
Mt. Hood	1,033,000	390,800	123,100	0	513,900	(519,100)	-50.3%
Willamette	1,324,000	731,100	125,100	0	856,200	(467,800)	-35.3%
Deschutes	1,368,000	952,100	57,200	0	1,009,300	(358,700)	-26.2%
Umpqua	874,000	491,800	73,400	61,000	626,200	(247,800)	-28.4%
Winema	814,000	583,000	166,100	3,700	752,800	(61,200)	-7.5%
Rogue River	546,000	277,000	59,000	0	336,000	(210,000)	-38.5%
Siskiyou	746,000	316,000	108,000	81,000	505,000	(241,000)	-32.3%
Siuslaw	589,000	289,000	68,400	0	357,400	(231,600)	-39.3%
<b>TOTAL</b>	<b>7,294,000</b>	<b>4,030,800</b>	<b>780,300</b>	<b>145,700</b>	<b>4,956,800</b>	<b>(2,337,200)</b>	<b>-32.0%</b>

SOURCE: Forest Service, Land and Resource Management Plans for  
the Relevant National Forests.

EXHIBIT V

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HABITAT CONSERVATION AREA ACRES  
ON OREGON NATIONAL FORESTS  
AND BUREAU OF LAND MANAGEMENT OWNERSHIPS

NATIONAL FOREST	NON-SUITABLE	SUITABLE	TOTAL
Mt. Hood	272,900	82,400	355,300
Willamette	268,500	263,000	531,500
Deschutes	59,700	49,000	108,700
Umpqua	94,000	135,000	229,000
Winema	19,000	8,000	27,000
Rogue River	94,800	90,000	184,800
Siskiyou	147,200	109,000	256,200
Siuslaw	95,000	144,000	239,000
<b>TOTAL</b>	<b>1,051,100</b>	<b>880,400</b>	<b>1,931,500</b>
<b>BLM DISTRICT**</b>			
-----			
Salem			151,700
Eugene			124,700
Roseburg			120,900
Coos Bay			84,600
Medford			129,300
			-----
			611,200
<b>GRAND TOTAL</b>			<b>2,542,700</b>

\*\*Breakdowns of suitable land areas are not available.

SOURCE: U. S. Forest Service, Region 6, Portland, OR.

THE WHITE HOUSE  
WASHINGTON

9:30am Pre-meeting  
AC office

June 13, 1990

MEMORANDUM FOR GOVERNOR SUNUNU  
ANDY CARD

✓MICHAEL BOSKIN  
✓ROGER PORTER - *Mike Klausner*  
✓MICHAEL DELAND  
✓BOB GRADY 4844  
✓DAVID CARNEY  
✓MICHAEL JACKSON

FROM: ✓KATHY JEAVONS *WJS*  
ASSISTANT DIRECTOR FOR PUBLIC LIAISON

SUBJECT: Meeting with Congressman Denny Smith and Oregon  
Timber Delegation on the Spotted Owl

The following is a list of individuals who will be  
accompanying Congressman Smith to the meeting tomorrow at 9:45 AM  
in the Roosevelt Room:

Jim Geisinger  
President of the Northwest Forestry Association

Tom Hiron  
Owner of Mad Creek Logging and Chairman of Communities  
for a Great Oregon

Jim Morgan  
Co-owner of Young and Morgan (plywood and sawmills),  
Treasurer of Oregon Lands Coalition

Rob Freres  
Vice President of Freres Lumber

John Kunzman  
External Vice President of Oregon Lands Coalition,  
Owner of South River Saw and Marine

Richard Sohn  
Manages Sun Studs Inc. (timberlands, human resources,  
waste management)

Paulette Pyle  
Director of Oregonians for Food and Shelter

George Brown  
Dean of Forestry at Oregon State University

Fred VanNatta  
Home Builders Association

Bill Kluting  
union worker, member of Western Industrial Council

Mike Miller  
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THE WHITE HOUSE

WASHINGTON

June 13, 1990

Andy

MEMORANDUM FOR GOVERNOR SUNUNU

FROM: ROGER B. PORTER *RBP*  
SUBJECT: Northern Spotted Owl

At some point before June 23, we expect that the Department of the Interior will announce its listing of the northern spotted owl as "threatened" under the terms of the Endangered Species Act. This memorandum discusses the spotted owl issue and the responses we are considering to achieve a balance of environmental and economic values.

I. Background

The listing of a species, or in this case a subspecies, of animal as "threatened" or "endangered" under the Endangered Species Act is based solely on a scientific determination by the Fish and Wildlife Service that an animal is in danger of extinction. Under the Act, the determination must be made "on the basis of the best scientific and commercial data available" after conducting a year-long administrative inquiry. The listing of an animal as "threatened," as opposed to "endangered," indicates that the danger of extinction is foreseeable but not immediate.

The habitat of the northern spotted owl lies primarily in the old-growth forests of California, Oregon, and Washington. Essentially all of these forests are managed by the Forest Service or the Bureau of Land Management (BLM), and a large portion of the forests have been actively harvested.

It is estimated that there are 2,000 to 3,000 pairs of northern spotted owls now in existence. Although no population trend data is available, the Fish and Wildlife Service has concluded that reductions in accessible old growth forests leads directly to a reduction in the spotted owl population. Based on studies of the size of these forests, the Service estimates that the current spotted owl population represents a 60 percent decline since 1800. The harvest of the old-growth forests has been largely responsible for this decline.

The listing of the spotted owl under the Endangered Species Act will require substantial reductions in old-growth timber harvests. The Act requires both the Forest Service and the BLM to submit their timber harvest contracts to the Fish

and Wildlife Service for approval under a legal standard prohibiting any action that would prevent growth in the owl population.

Moreover, the courts have jurisdiction to hear citizen suits to enjoin harvests under both the Endangered Species Act and the National Environmental Policy Act. Often, the courts issue preliminary injunctions to stop harvests pending resolution of the ultimate legal questions presented. These lawsuits can delay a harvest for a year or more.

We have worked closely with the Forest Service and the BLM to develop timber harvest plans that will protect the owl at the lowest possible cost in lost jobs. Both the Forest Service and the BLM stand by their respective plans, but there can be no assurance that the courts would allow these plans to be implemented. If recent history is a guide, Congress will ultimately have to pass legislation authorizing the adoption of particular forest management plans and restricting citizen suits in order to allow timber harvests to continue.

## II. Proposed Timber Harvest Plans

The Forest Service proposes to adopt a plan developed by Jack Ward Thomas, a biologist at the Forest Service. If this plan is implemented, approximately 20,000 forestry jobs in the National Forests will be lost. The BLM has determined that the Thomas plan is inappropriate for the type of terrain under its management and has developed an alternative plan that will involve the loss of 1,000 jobs in BLM forests. The total number of projected job losses on Federal lands under these plans is thus 21,000.

The projected job losses would occur in remote old-growth forest communities that are dependent on timber harvesting for their economic viability. Individuals who lose their jobs as a result of harvest reductions will be able to find alternative employment only if they re-locate to different communities or if alternative industries are developed in the old-growth communities.

The BLM plan involves human intervention in moving owls to appropriate habitats and away from areas slated for harvest. The Thomas plan would not require this type of manipulation. The substantially lower number of job losses on BLM lands compared to those in National Forests is largely attributable to this divergence of approach.

Although communities in Federal old-growth forests will experience severe economic dislocation as a result of reduced

harvests, communities in other forests will experience dramatic increases in employment as alternative sources of timber are sought. The Forest Service and the BLM estimate that employment in these areas will increase by approximately 13,200 jobs through 1995. By 2000, however, the private forests will no longer be able to sustain increased harvest levels, and employment will drop below the current level by 2,700 jobs.

### III. Options Available To Mitigate Job Losses

We have considered three actions to mitigate the economic impact of the harvest restrictions necessary to protect the spotted owl: a ban on the export of logs cut from State lands; the development of recreational facilities in the old-growth forests; and the targeting of Job Training Partnership and similar programs to the communities adversely affected by harvest restrictions. Over the next few days, we should be in a position to analyze these options in detail.

THE WHITE HOUSE  
WASHINGTON

9:30am Pre-meeting  
AC office

June 13, 1990

MEMORANDUM FOR GOVERNOR SUNUNU

ANDY CARD

✓ MICHAEL BOSKIN

✓ ROGER PORTER - *Mike Klausner*

✓ MICHAEL DELAND

✓ BOB GRADY 4844

✓ DAVID CARNEY

✓ MICHAEL JACKSON

FROM:

✓ KATHY JEAUVONS *KJS*

ASSISTANT DIRECTOR FOR PUBLIC LIAISON

SUBJECT:

Meeting with Congressman Denny Smith and Oregon  
Timber Delegation on the Spotted Owl

The following is a list of individuals who will be accompanying Congressman Smith to the meeting tomorrow at 9:45 AM in the Roosevelt Room:

Jim Geisinger

President of the Northwest Forestry Association

Tom Hiron

Owner of Mad Creek Logging and Chairman of Communities for a Great Oregon

Jim Morgan

Co-Owner of Young and Morgan (plywood and sawmills),  
Treasurer of Oregon Lands Coalition

Rob Freres

Vice President of Freres Lumber

John Kunzman

External Vice President of Oregon Lands Coalition,  
Owner of South River Saw and Marine

Richard Sohn

Manages Sun Studs Inc. (timberlands, human resources,  
waste management)

Paulette Pyle

Director of Oregonians for Food and Shelter

George Brown

Dean of Forestry at Oregon State University

Fred VanNatta

Home Builders Association

Bill Kluting

union worker, member of Western Industrial Council

Mike Miller

Executive Director, Association of Oregon Loggers

Meeting  
6/14

THE WHITE HOUSE  
WASHINGTON

Andy -

FVI

- Bert -

# 3 mills plan to idle 255 in cutbacks

□ The companies blame high log prices for the layoffs that loom in Philomath, Willamina and Medford

By **JIM KADERA**

*of The Oregonian staff*

Three Western Oregon wood processors will lay off 255 employees in mill curtailments reported Wednesday.

All the companies blamed the shutdowns on high log prices.

Diamond-B Lumber Co. will close a Philomath sawmill indefinitely beginning Friday, laying off 155 workers. Hampton Affiliates temporarily will slash lumber production by 50 percent Monday at Fort Hill Lumber Co., near Willamina, idling 20 of the 59 workers.

In addition, Medford Corp. will shut down one of two shifts at its Medford plywood plant permanently on July 29, costing 80 jobs. Those workers have been laid off for several months, however. A temporary shift closure began last September.

Medco, owned by Texas financier Harold Simmons, earlier laid off 267 workers in permanent closures of a Grants Pass sawmill in 1988 and a Medford sawmill in 1989.

Jack Brandis, Diamond-B president, said, "It is a shame that we have to close the mill, even though people still need lumber and other forest products. It hurts me that our 155 employees and their families will be without work for an indefinite period."

High log prices have eliminated the flexibility to weather downward trends in the lumber market, Brandis said. "A restriction of national forest timber sales has caused all log prices to soar. The culprit is appeals and litigation, which postponed timber sales. It is not an issue of old-growth or second-growth. It is a movement by preservationists to stop logging on all public lands."

Although Congress ordered a temporary restoration of federal timber sale programs for this year, the staff of the Siuslaw National Forest "has been able to successfully offer only a few new sales," Brandis said.

John Hampton, chief executive officer of Hampton Affiliates, said another of his businesses — the primary sawmill of Willamina Lumber Co. — began to reduce output this week. No one has been laid off, but employees are earning less because of reduced working hours. That was common strategy in the Oregon wood industry during the severe recession of 1980-82.

"A legislative solution is needed to stabilize predictable outputs from our nation's most productive timberlands," Hampton said of the problem with federal timber availability.

Burrle Elmore, editor of Random Lengths market-reporting service in Eugene, said green Douglas fir prices have fallen, largely from a surplus of lumber shipped to Southern California, where housing starts have declined. Random Lengths last Friday quoted 2x4s from Portland at \$198 per thousand board feet, off \$27 from the previous week.

Elmore said he did not know the effect on retail lumber prices.

# Timber sale to go on despite threat

May 24, 1990

□ A spokesman foresees no delay with the Mary's Peak acreage despite an anonymous letter saying "the Muirlettes" have planted 150 ceramic and 50 metal spikes

By **CARMEL FINLEY**  
Correspondent, *The Oregonian*

A proposed sale of 120 acres of timber near Mary's Peak is unlikely to be delayed by threats from an anonymous group that trees have been spiked, a timber spokesman said Wednesday.

"Timber is in such high demand, I have no doubt it will sell," said Kent Kelly, spokesman for the Siuslaw Timber Operators Association, which represents 20 companies.

However, buyers are likely to be more cautious in examining the trees for evidence of tampering, he said.

The U.S. Forest Service, which is offering the trees for sale, included information about the possible spiking of the trees in the packet it sent to prospective buyers, said

Norm Hesseldahl, a public affairs spokesman with the agency's Corvallis office.

Tree-spiking presents a threat to both loggers and millworkers, who can be injured if saw blades strike the spikes and explode them like shrapnel.

A California millworker was seriously injured several years ago when the blade of a saw he was operating struck a spike.

The Forest Service received an anonymous letter March 21 from a group identifying itself as "the Muirlettes," said Hesseldahl. The group said it placed more than 150 ceramic spikes in trees in the Chintimini Park unit, on the west side of Mary's Peak, and in the Tidewater 003 unit, near Alsea. Both locations are in western Benton County.

The letter said the spikes were camouflaged to prevent detection and that 50 metal

**"Timber is in such high demand, I have no doubt it will sell."**

— spokesman Kent Kelly

spikes also were used "to prove we were there."

Hesseldahl said the area was checked and "we found evidence of people in the area," but he said a search with metal detectors failed to turn up any evidence of metal spikes.

This is the first time timber areas in the Siuslaw National Forest have been threatened with tree spiking, Hesseldahl said, adding the trees proposed for sale "are not old-growth by anybody's definition." None of the trees are more than 200 years old, he said.

Please turn to  
**SPIKES, Page D10**

**RTHWEST**

THE OREGONIAN, THURSDAY, MAY 24, 1990

## Spikes: Letter reports no ties to group

■ **Continued from Page D1**

The Muirlettes mailed photocopies of a hand-printed letter to several newspapers this week. The letter said the spiking was carried out before some members of Earth First!, an environmental group, announced they would no longer carry out tree spiking.

The letter also said the Muirlettes "do not represent EF."

The fact that the letter did not claim involvement by Earth First! was a relief to a spokesman for that group.

"I'm certainly glad they're not associated with Earth First!," said Matthew Snider, a Eugene member of the Southern Willamette Earth First! chapter. He said the group renounced tree-spiking April 11 as an act of good faith in hopes of forming an alliance with labor workers.

Tree-spiking has not been an effective tactic in Oregon, Snider said.

"We viewed it as giving up a bad tactic in order to form a good alliance," said Snider. "The people

working in the mills are not the enemy."

The forest service will accept bids on the Chintimini sale until June 5, said Hesseldahl. He expects six to 12 companies will bid on the timber. Forest Service law enforcement officers are investigating the letters, he added.

The Tidewater 003 unit will not be offered for sale this year, but not because of threats, said Jane Cottrell, public service assistant at the Waldport Ranger Station.

# Saving owl seen threat to schools

□ A group of local officials claim reducing federal timber harvests would result in less money for education and county services

By **BILL GRAVES**

*of The Oregonian staff*

Saving the northern spotted owl could threaten services and the quality of public education in Oregon counties that depend heavily on federal timber money, a group of local officials said Wednesday.

Counties and public schools would lose millions of dollars if timber harvests are reduced to protect the endangered owl as a federal team of scientists recommended last month, the group said in a news conference at the Westin Benson Hotel in Portland.

For school districts that rely heavily on federal timber money, reductions in timber harvests proposed in the owl study could be disastrous, school administrators said.

"We will be looking at a devastating impact on kids and our ability to educate them," said Jay Johnson, superintendent of Gold Beach Union High School District in Curry County.

Twenty percent of his district's budget comes from federal timber money, he said.

Jerry Routson, chairman of the Hood River County Board of Commissioners, said 53 percent of the public land in Oregon already is locked up for public use. Setting aside more would be "getting totally carried away" and create "utter chaos in our communities," he said.

"We will lose well over \$1 million," he said. "There would be a lot of work that wouldn't get done. This is over half our budget."

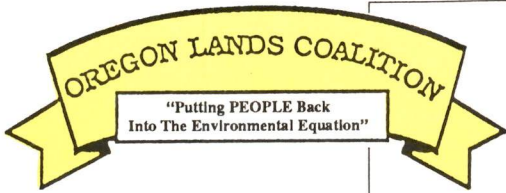
The scientists proposed putting 3.1 million acres of federal forests — including 1.8 million acres in Oregon — off-limits to logging.

Oregon counties and schools received \$271 million from federal timber cuts last year. That amount would be reduced by somewhere between 55 percent and 65 percent if timber harvests are limited to protect the owl, said Doug Robertson, county commissioner in timber-rich Douglas County. One study estimated that the federal plan to protect the owl would reduce timber sales by \$148 million in Oregon, Washington and California by 1995, and by \$229 million by 2000.

Local officials want the federal government to balance the future of the owl with that of county schools, services, roads and jobs, Robertson said.

"If we are going to base our federal policy on just one component, what we are saying collectively is, 'That is wrong,'" he said.

The U.S. Forest Service gives 25 percent of its timber sales back to counties within national forests. The counties keep three-fourths of the money and give the rest to schools. Portions of timber sales in federal Bureau of Land Management forests go to counties to offset property taxes for schools and services.



# the Seedling

Volume 1 - Issue 6 - May 1990

*Thousands demonstrate for jobs - not handouts*

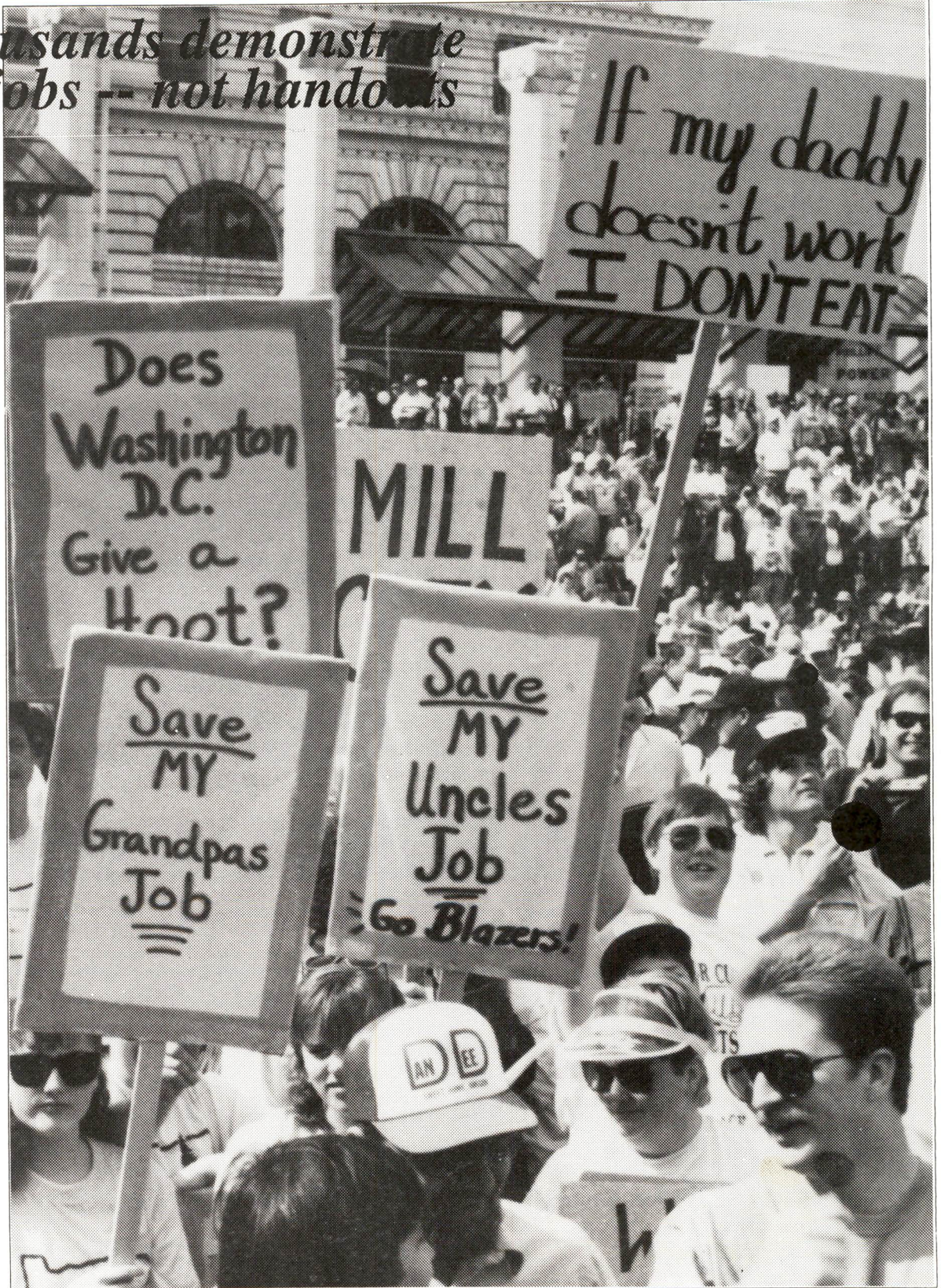
## I N S I D E

MAYDAY  
Mr. President!

Festival  
Northwest  
Approaches

'Playing God'  
Proves  
Insightful

Oregon Family  
Battles New  
Wetlands Policy



# MAYDAY Mr. President!



## A Plea for Help

Timber workers and their children sign a scroll asking President Bush for help at April 13 demonstration.

Oregon's grass roots groups sent a MAYDAY distress message to President Bush on May 1, asking him to throw a lifeline to families in the state's 70 timber-dependent communities.

The letter asks Bush to "become personally involved and push for middle-ground decisions that people and owls can live with."

"Please don't stand by and watch us go under," it states.

The letter is signed by officers of the Oregon Lands Coalition (OLC), which represents more than 30,000 people in 22 communities statewide. It marks the kick-off of OLC's "MAYDAY" campaign directed at the president. From May 1 to May 20, activists will call, write and fax MAYDAY messages to Bush.

Dixie Reisch, OLC board member and chairman of the Molalla Timber Action Committee, said the campaign was prompted by fears that the impending crisis is being overshadowed by a debate about obscure assessments and computation procedures.

"The fight over the numbers is the typical bureaucratic response," Reisch said. "It's like standing on the deck of the Titanic arguing about how deep the water is."

"It doesn't matter where the figures come from or what bean counter put them together. The critical issue is people," Reisch said. "When we're talking about putting owls above people, pushing 1,000 — or even 100 — families out of their homes and into the street is too much."

Charlie Janz, OLC board member and chairman of the Yellow Ribbon Coalition, said the letter is intended to call attention to the social price tag that comes with the locking up of public lands.

"What about quality education in Oregon?" he said. "How will we fund our schools and county governments without timber receipts? Where will the money come from?"

To relay your MAYDAY message to President Bush, call (202) 456-7639 (6 am to 2 pm Pacific time, Monday through Friday.)

**the Seedling** is a monthly publication of the Oregon Lands Coalition (OLC.) OLC's mission is to heighten community awareness and knowledge about the importance of wise multiple use of public lands, balancing resource production and resource protection. Member groups include:

- Citizens Natural Resource Group
- Communities for a Great Oregon - Central Oregon
- Communities for a Great Oregon - Mill City
- Communities for a Great Oregon - Sweet Home
- Molalla Timber Action Committee
- Oregon CattleWomen
- Oregon Fur Takers
- Oregon Project - Curry County
- Oregon Project - Douglas County
- Oregon Project - Mid-Columbia
- Oregon Project - Portland Metro
- Oregon Women for Timber
- Oregonians for Food and Shelter
- Oregonians in Action
- Philomath Information Action Committee
- Protecting Industries Now Endangered
- Save Our Sawmills
- Southern Oregon Resource Alliance
- Third Force for Forestry
- Wallowa County Cattle Women
- Workers of Oregon Development
- Yellow Ribbon Coalition

OLC Chairman: Valerie Johnson - OLC State Coordinator: Jackie Lang  
(503) 363-8582, 280 Court St. NE, #5, Salem, OR 97301

**June 2-3**

## *Festival NW, OLC convention promise to draw thousands*

Packets will soon be in the mail for the June 2 grass roots convention, which is scheduled as part of Festival Northwest, June 2-3 in Eugene.

The convention will feature an exciting schedule of "hands on" workshops plus speakers and activities for the whole family. The Festival Northwest agenda includes educational displays, a timber carnival and an evening of entertainment and dancing.

Watch for more information!

MEETING

THE WHITE HOUSE  
WASHINGTON

Date: June 6, 1990

FOR: ANDY CARD

FROM: ED ROGERS

- Action
- Your Comment
- Let's Talk

FYI

This is a good letter....

146313



**DENNY SMITH**  
UNITED STATES CONGRESS

**READING**

May 25, 1990

THE CHIEF OF STAFF  
has seen

The Honorable John Sununu  
Chief of Staff to the President  
The White House  
Washington, D.C. 20500

Dear *John*:

Just a quick word of thanks and appreciation for all that you personally did on my behalf to make the President's trip to Oregon helpful to my reelection.

The President's comments instilled some hope in the hearts of those families who will lose everything if Oregon's timber industry is shut down. He gave them confidence that the leadership tasked with representing them will not abandon them.

John, I admire and appreciate your forthrightness. I try to operate the same way myself. If my style has left the President, you or your staff doubting my appreciation for the President's efforts on my behalf, I hope this letter will erase that misconception. I deeply appreciate all that you, President Bush and your staff have done.

As you know, I am committed to this President and to our party. I'll continue to need your help and the President's to hold Oregon's fifth district for the Republican Party. I thank you for your friendship and help, and trust that I can continue to count on both.

Best personal regards,

*Denny*  
Denny Smith  
Member of Congress

DAS:kl

MEETING

THE WHITE HOUSE  
WASHINGTON

Date 6/5/90

TO: Andy Card

FROM: **KATHY JEA VONS**  
Assistant Director  
Office of Public Liaison  
Room 129 OE OB, Ext. 7845

The attached is for:

- |   |  |
|---|--|
| <input type="checkbox"/> Information            | <input checked="" type="checkbox"/> Review & Comment |
| <input type="checkbox"/> Direct Response        | <input type="checkbox"/> Appropriate Action          |
| <input type="checkbox"/> Draft Reply            | <input type="checkbox"/> Signature                   |
| <input type="checkbox"/> File                   | <input type="checkbox"/> Other                       |
| <input type="checkbox"/> Please Return By _____ |  |

**COMMENTS:**

In light of the Cong. Smith /  
Spotted owl meeting next week  
I thought you should see  
this.



# THE WILDERNESS SOCIETY

GEORGE T. FRAMPTON, JR.  
PRESIDENT

June 4, 1990

Kathy Jeavons  
Assistant Director  
Public Liaison  
Room 129, OEOB  
Washington, D.C. 20500

Dear Ms. *Kathy* Jeavons:

See the enclosed final letter to the President regarding the ancient forests controversy in the Pacific Northwest.

I will keep you informed about any response.

The meeting requested in our letter is an important priority for our organizations. We would appreciate your efforts on our behalf.

Sincerely,

*George*



# THE WILDERNESS SOCIETY

GEORGE T. FRAMPTON, JR.  
PRESIDENT

30 May 1990

The Honorable George Bush  
The White House  
1600 Pennsylvania Avenue, N.W.  
Washington, D.C. 20500

Dear President Bush:

On behalf of the Chief Executive Officers of the organizations listed below, we ask to meet with you as soon as possible to address the unfolding situation in the Pacific Northwest. We note from recent press reports that you have consented to meet with a delegation from the timber industry, and we request the same privilege.

Mr. President, the extinction of a species is a serious matter, as are the fears of timber industry employees. Considered judgements must be made from unbiased facts and in accordance with law. We are gravely concerned that the information you have thus far been given is misleading and designed to precipitate a false crisis.

The timber industry would have you believe that a desperate situation exists -- it does not. The timber industry would also have you believe that the situation in the Pacific Northwest is a "jobs versus owls issue" -- it is not. Industry would also have you believe that the Endangered Species Act should be ignored in this situation -- it should not.

Job loss estimates have been wildly exaggerated by the timber industry. The facts are that job losses have occurred in the wood products industry over the past ten years due to mill modernization and log exports, not environmental constraints -- and such losses will continue. In 1989, record amounts of timber were cut and processed at record profits, with 17,000 fewer workers than in 1979.

The only reliable estimates of job losses associated with comprehensive ancient forest protection have been those developed using Forest Service computer models. They range from 9,000 jobs over ten years to 14,000 jobs over five years, assuming no measures (such as restricting log exports, redirecting the federal timber program to other rotation-age timber, or community economic development and retraining) were undertaken to reduce or mitigate job loss. By contrast, Oregon and Washington created 160,000 new jobs last year.

The Honorable George Bush  
30 May 1990  
Page Two

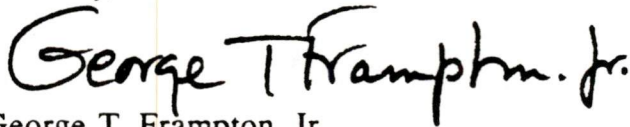
Neither the timber industry nor the Pacific Northwest faces a financial crisis. Rather, the issue before the region is how to make an economic transition that would be occurring with or without the northern spotted owl, in a way that protects both forest and jobs.

There are many steps that can be taken to prevent whatever job losses might eventually occur when the spotted owl is listed under the Endangered Species Act. The curtailment of log exports from the region would, by itself, more than compensate for any job losses. We will provide several more specific legislative solutions for you at the meeting we are requesting.

What is at stake here, Mr. President, is no less than the fate of a world-class treasure -- our last remaining ancient forests of centuries old trees, with their rare plants and wildlife. Once cut down, they are gone forever; they cannot be replaced.

We are aware of your concern for both these splendid and unique forests and the timber workers in the Pacific Northwest. We believe it is possible to protect both and want you to have a balanced perspective based upon unbiased facts, as you and your administration confront this issue. We look forward to meeting with you.

Sincerely,



George T. Frampton, Jr.

Peter A.A. Berle  
National Audubon Society

Jay D. Hair  
National Wildlife Federation

John H. Adams  
Natural Resources Defense Council

Fredric P. Sutherland  
Sierra Club Legal Defense Fund, Inc.

Michael Clark  
Friends of the Earth

Rupert Cutler  
Defenders of Wildlife

Frederic D. Krupp  
Environmental Defense Fund

Jack Lorenz  
The Izaak Walton League of America


THE WHITE HOUSE

WASHINGTON

May 14, 1990

Andy

MEMORANDUM FOR GOVERNOR SUNUNU

FROM: DAVID Q. BATES 

SUBJECT: Northern Spotted Owl

This memorandum and its attachments are intended: (1) to provide background on the possible listing of the northern spotted owl as threatened under the Endangered Species Act (ESA); (2) to outline federal actions that are required by the ESA or that may be contemplated in connection with listing the owl as threatened; and (3) to request your guidance regarding implementation of an appropriate process for managing this issue.

The Owl and its Habitat -- Old-Growth Forests.

The northern spotted owl lives primarily in old-growth forests located in Washington, Oregon and northern California. The listing decision would primarily affect rural communities in those states, and particularly in Oregon. A decision to list the owl would affect timber sales on land held by the Agriculture and Interior departments and possibly affect timber harvests on private lands. Listing of the owl as a threatened species is considered all but certain.

The controversy over the owl is considered by some a "stalking horse" for a larger effort to preserve old-growth timber in the Pacific Northwest and an example of a new tactic of environmentalists -- seeking to identify a species that could be eligible for protection under the ESA and using it as a tool to influence federal multiple-use land management.

Chronology of Critical Dates and Decisions.

The U.S. Fish and Wildlife Service (FWS) has proposed to list the spotted owl as a threatened species under the ESA. Benchmark dates and decisions include:

- o June 23, 1989. Publication of a FWS rule proposing to list the owl as a threatened species under the ESA. The final decision on whether to list the owl must be based solely on biological evidence and will not take into account the economic effects of the listing.

- o Fall 1989. Establishment by Congress of a temporary fix to the owl and old-growth controversy and the litigation surrounding federal timber sales in the Pacific Northwest. In section 318 of last year's appropriation for the Interior Department, Congress: (a) provided for continued timber harvests at reduced levels for FY 1990; (b) mandated establishment of an interagency scientific committee (the "Thomas Committee") to gather information about the owl and propose a conservation plan; and (c) required USDA to establish before the end of FY 1990 a conservation plan to preserve the owl.
- o April 4, 1989. Release of the Thomas Committee report. The interagency committee, chaired by Jack Ward Thomas, included representatives from the FWS, U.S. Forest Service (USFS), Bureau of Land Management (BLM), and National Park Service (NPS).
- o April 4. Secretaries Lujan and Yeutter commissioned an interdepartmental committee to assess the economic effects of implementing the Thomas Committee report.
- o May 3. Release of the Interior-USDA report, "Economic Effects of Implementing a Conservation Strategy for the Northern Spotted Owl." USDA and Interior staff briefed appropriate Members of Congress on the report.
- o June 1 (approximately). Deadline by which USDA must publish a notice of proposed rulemaking to implement the section 318 requirement for a USFS conservation plan. If the FWS elects to list the owl under the ESA, the USDA conservation plan is rendered moot. It is anticipated that the USDA conservation plan, which would not apply to BLM or private lands, will resemble the plan recommended by the Thomas Committee.
- o June 23. Deadline for FWS listing decision. The ESA provides for a possible six-month delay of the final decision if the scientific data is incomplete or conflicting, which in this instance is very unlikely. A one-month "cooling off period" is provided under federal law before the decision is implemented.
- o July 23. Implementation of the listing decision. Private civil suits, however, may effectively stop logging in the owl habitat immediately following the June 23 listing announcement.

#### ESA Requirements Subsequent to a Listing.

If the owl is listed, FWS must develop a temporary conservation plan that would provide for protection of the owl. It is

anticipated that within a year FWS would put into place a permanent conservation plan to provide for recovery of the owl. The Thomas Committee report is a plan for protection, not recovery. It is reasonable to expect that the initial FWS conservation plan would incorporate the broad features of the Thomas Committee plan and that the economic effects of the initial plan would roughly track the data released on May 3 by the Interior and Agriculture Departments. The permanent conservation plan would, however, impose an even more restrictive standard for preservation of old-growth forests and would have higher economic costs.

The Interior Department anticipates that the preliminary economic effects of a listing would be felt quickly, within a matter of weeks after July 23. Interior anticipates that an ESA listing would supplant projected timber contracts within the owl's habitat.

The ESA does contain provision for appeal to the Endangered Species Committee could consider economic variables. This committee, described at Tab 2, pages 3-4, is comprised of the Secretaries of Interior (who serves as chairman), Agriculture and the Army, the Administrators of EPA and NOAA, the Chairman of CEA, and representatives of the affected states. The committee can exempt federal actions (e.g., timber sales) from the provisions of the ESA and has broader discretion than FWS to take note of economic factors. Such committees have rendered decisions in only two situations since passage of the ESA, exempting the Grayrocks Dam in Wyoming (involving the whooping crane) and denying an exemption for the Tellico Dam in Tennessee (involving the snail darter), although Congress subsequently reversed the committee's decision regarding the Tellico Dam.

The Endangered Species Committee cannot, however, provide a quick, comprehensive plan to mitigate the economic effects of a listing; it may take up to nine months for an appeal to be referred to the committee and resolved by it.

#### Economic Effects of a Listing.

The economic effects of implementing a conservation plan similar to the Thomas Committee recommendation are summarized at Tab 1, pages 8-9 and described fully in the document contained at Tab 3.

In short, under the Thomas Committee plan federal timber harvests in the Pacific Northwest would decrease 48 percent by 1995. This would result in a loss of 13,000 jobs by 1995 and 28,000 jobs by 2000 (this is premised on an offsetting increase in timber harvests on private lands, but this could be jeopardized due to possible restrictions on private lands if the owl is listed). It

would also result in lost annual revenues to the federal Treasury of \$229 million by 2000, and lost annual federal timber payments to states and counties of \$95 million by 2000. To repeat, the final conservation plan would likely impose greater restrictions on timber sales than the Thomas Committee recommendations. Higher economic costs are therefore likely.

On a national basis, much of the adverse regional impact would be offset from federal and private timber harvest increases in non-old-growth areas in response to higher stumpage prices. See Tab 1, pages 8-9 for additional discussion.

#### Options for Mitigating the Effects of a Listing.

As you know, Washington Governor Booth Gardner has written to the President about the owl listing. He advises a gradual phase-in of a conservation plan, which may require Congressional amendment of the ESA, and a partial restriction on the export of logs from state lands. He is also developing an economic recovery plan for which we do not yet have details or cost estimates. Initial Congressional planning covers a wide range of options. It is likely the President will be questioned closely about this issue on his trip to Portland on May 21. The spotted owl has been a significant campaign issue in the Oregon Governor's race.

There is no simple short-term solution to this issue. The ESA affords the Administration no significant room to maneuver before June 23. There are several possible approaches to this issue:

- o Attempt administratively to phase-in a conservation plan over several years and cushion the effect of the listing. It is unlikely this approach would withstand court challenge.
- o Allow the consultation process required under the ESA to go forward and look to the Endangered Species Committee to craft a compromise policy solution.
- o Let Congress decide how to mitigate the economic effects of a listing. Congressional inaction would produce significant short-term economic dislocations in the region, but Congressional action could ultimately prove quite expensive and include provisions unacceptable to the Administration.
- o Develop an Administration program to mitigate the effects a listing, which might include extended unemployment benefits, retraining and readjustment assistance, increased family support, economic development grants and loans, or increased federal timber payments to the affected areas. Such a program might also include a ban on timber exports (although this could run counter to trade commitments).

- o Seek amendments to the ESA to provide limited exemptions to the act for the spotted owl.

The ESA itself presents a broader policy question of whether the Administration should support amendments to allow greater weight to economic effects of making listing decisions or other modifications. Reauthorization of the ESA is scheduled for 1993. There are hundreds of species currently under consideration for listing under the ESA. Although few of those listing decisions would result in the serious consequences faced here, they present the potential for recurrent battles over specific projects (such as the Animas-La Plata water project in southwestern Colorado, which has just been delayed) and, as noted above, the opportunity for environmentalists to seek control of federal development and land management policy.

At the same time, it must be noted that the ESA is viewed as sacrosanct by the environmental community and any attempt to amend its provisions would result in a very heated political battle. Proof of this was afforded Friday in an ABC Evening News report of a remark in Colorado by Lujan that the ESA may need fine tuning. ABC carried a strong denunciation of Lujan's view by environmental and Congressional spokesmen. Over the weekend Secretary Lujan's statements on the ESA were widely reported (see Tab 4).

#### Decisions.

This paper has not aimed to lay out all options, only to provide an introduction to this issue. If the Administration elects to undertake a broader assessment of the ESA, a Domestic Policy Council review may be appropriate. That work could include an assessment of the numerous pending ESA actions.

In the short run, you may find it useful to assemble senior White House staff to review this issue and chart options. A preliminary meeting could, if you want, include Secretaries Lujan and Yeutter. Lujan and Yeutter hope to meet together on this issue next week, but Yeutter is out of the country until Thursday.

Attachments

THE WHITE HOUSE  
WASHINGTON  
May 15, 1990



MEMORANDUM FOR GOVERNOR SUNUNU

FROM: ROGER B. PORTER *RBP*  
SUBJECT: Log Export Ban Legislation

As early as Wednesday, May 16, Congressional conferees on the "miscellaneous trade bill" may consider legislation to ban exports of logs from state-owned lands in the western half of the United States. An Administration position is needed.

Discussion

Exports of logs from federal lands have been restricted since 1897, and have been banned since 1961. The right to export logs from private lands is not at issue at this time.

In the Pacific Northwest, softwood log production in 1989 was as follows (in billions of board feet):

Private lands	9.0
Federal lands	6.0
State lands	<u>0.8</u>
TOTAL	15.8

Exports of softwood logs from the Pacific Northwest have increased steadily in recent years. Currently, about 28% percent of the region's logs are exported. Most go to Japan.

The pending (June 23) spotted owl decision has added pressure to restrict log exports. The May 3 Interior/USDA study estimated that naming the spotted owl to the endangered species list would require that about 2 billion board feet (13 percent of total) be removed from production in the Northwest, at a cost of 25,000 jobs.

While there is strong support in Oregon and Washington for log export restrictions, there is also opposition -- from ports, school districts (dependent on income from state lands), and private log exporters (such as Weyerhaeuser, who fear the restrictions could be extended to private lands).

A Packwood bill is included as an amendment to the miscellaneous trade bill (H.R. 1594). Key elements are:

- o Permanent ban on exports from Federal lands in west;

- o Prohibitions on "direct" and "indirect" substitution; and
- o States can decide to ban exports from state-owned lands. Ban becomes effective upon notification to Secretary of Commerce.

While Packwood has refused to compromise with opponents of the ban, the Washington state delegation has produced a compromise, known as the Miller bill. This bill, which reportedly has the support of House Speaker Foley, has been adopted by the House Foreign Affairs Committee and will be conferenceable. It contains several important differences from the Packwood bill:

- o Prohibits exports from state-owned lands, rather than allow state choice; and
- o Allows the President to revoke state bans (after notice and comment) if he finds them inconsistent with international obligations of the U.S.
- o Provides some flexibility over Packwood bill on duration, extent of ban on Washington State logs, substitution, and coverage of federal lands.

A third bill, the Vento bill, has been approved by the House Interior Committee. It is similar to the Miller bill except it would permit a Presidential waiver of the ban if:

- o A foreign government has objected to the ban; and
- o If an international agreement contains a dispute settlement mechanism, the waiver must be consistent with that mechanism.

None of these bills would make up for likely losses due to the spotted owl -- only about 600 million board feet would be removed from the export market.

#### Options

The following options were discussed at an interagency Trade Policy Review Group meeting yesterday.

1. Oppose all bills.

#### Advantages

- o Preserves trade policy integrity. Bans could complicate the Uruguay Round and erodes credibility in wake of recent wood products agreement with Japan.

- o Preserves options on spotted owl decision.

Disadvantages

- o Congress is likely to act anyway. Failure to compromise will deal Administration out.
- o Strong opposition will have political costs in Northwest, where this is a highly emotional issue.

2. Support the Miller bill.

Advantages

- o Anticipates spotted owl decision; indicates responsiveness to economic dislocation.
- o Consistent with Northwest politics.

Disadvantages

- o Raises trade policy problems -- Uruguay Round and Japan.
- o May be perceived as insufficient response to spotted owl.

3. Do not support any of the current approaches, but seek changes in the Miller bill. Under this approach the Administration would express trade policy concerns with any legislation banning log exports, but if some legislation is inevitable, would work to:

- o Obtain a sunset provision, so that the ban terminates automatically in 3 - 5 years and the issue can be reviewed again in a less charged atmosphere;
- o Link the ban more closely to conservation requirements to improve GATT defense;
- o Make the ban effective only if the spotted owl is added to the endangered species list; and
- o Tie the Presidential waiver to an adverse GATT panel report.

Advantages

- o Provides some GATT cover.
- o Preserves responsive stance on spotted owl disruption.

- o Minimizes political costs.

Disadvantages

- o Could reduce perceived pain caused by Endangered Species Act.
- o Reduces Administration credibility with Japan and in Uruguay Round.

Recommendation

Option 3. It is highly likely that Congress will act. The Administration should attempt to minimize the negative fallout.

OFFICE OF THE UNITED STATES  
TRADE REPRESENTATIVE  
EXECUTIVE OFFICE OF THE PRESIDENT  
WASHINGTON  
20506



May 16, 1990

MEMORANDUM FOR GOVERNOR JOHN H. SUNUNU

FROM:

Carla A. Hills *CAH*

SUBJECT:

Administration Position on Legislation to Ban Log Exports from State Lands

A congressional conference committee began deliberations this afternoon on a trade bill. One provision of that legislation would ban the export of timber from State-held lands.

On May 9, USTR cleared through OMB an Administration position of opposition to State log export bans. Our opposition has been based on several trade policy reasons, including:

- o The introduction of a state ban conflicts with the position the United States has taken against export restrictions in the Uruguay Round of trade negotiations under the General Agreement on Tariffs and Trade (GATT).
- o In the recently concluded 301 negotiation, we successfully urged the Japanese to expand their use of wood products. It would seem inconsistent for the federal government now to promote constricting the supply of raw lumber to Japan -- and could cause the Japanese to question our good faith in the negotiations.

After our position was cleared, several agencies, including OMB, advised us that they believe the Administration should take no position on the state log export legislation. Their principal concern is over the large job loss that would flow from the reduction in harvestable timber required by the expected listing of the spotted owl under the Endangered Species Act.

For the time being, therefore, USTR (representing the Administration at conference) will take no position on State log export bans. We will note our trade policy concerns but indicate that, in light of the spotted owl situation, the Administration is reviewing its position. We will also suggest some modifications to the bill, on which I believe there is interagency consensus (e.g., a sunset provision and a waiver for the President in the event of a GATT ruling against us).

Conference discussion of this issue is likely to begin in the next few days and could well be resolved before the end of next week. My request is that you do what you can to ensure rapid formulation of an Administration position, and that USTR's trade policy concerns be taken fully into account. To the extent the President becomes directly involved, I would also appreciate your bringing my views to his attention.

Date: May 16, 1990

To: Governor Sununu

From: Senator Slade Gorton

Subject: Northwest Spotted Owl Crisis

*Andy  
(Let me know  
if you want  
to  
get  
pkgs)  
lc*

**The Issue**

The federal government must not destroy 35,000 jobs for Northwest working families in order to expand the numbers of Spotted Owl pairs on federal lands from 1465 to 2000. President Bush was right when he said "there has to be a middle ground that protects the owl and keeps people working. It's the balance we are seeking."

The recently released interagency Thomas committee report recommends establishment of Habitat Conservation Areas (HCA) for the Spotted Owl which would be set aside from any commercial timber harvesting. The proposed HCAs would comprise 8,444,650 acres in Washington, Oregon and California. Over five million of these acres are currently available for timber harvesting. This plan calls for a 56% reduction in currently available federal timberlands in Washington State.

The Thomas proposal now goes to the Secretary of Interior who must decide, by June 23, whether to list the owl as endangered or threatened. If the Thomas plan is adopted as a "recovery plan" for the Spotted Owl, and all of the proposed lands are set aside, as many as 35,000 working people in the Northwest will lose their job.

**Policy recommendation for saving jobs by reducing the owl set asides**

I recommend that the President encourage the Secretary of Interior to use his legal authority under the Endangered Species Act to reduce the HCAs by considering "economic factors" in designating "critical habitat" for the owl. Then, the President should place the onus squarely on Congress by proposing legislation to protect this action from immediate and certain legal challenge, by a Congressional declaration that the Secretary's action is "legally sufficient" to meet the Endangered Species Act requirements. (see addendum for legal analysis of Secretary's authority in critical habitat designation).

Without Congressional approval, an inevitable legal challenge to the Secretary's action would stop most Northwest federal timber harvests, potentially for years. Devastating job losses would occur as the courts would freeze timber sales while considering the scientific validity of the Secretary's action. (see addendum for other policy options).

## **The Politics of the Spotted Owl**

The proposed HCAs and resultant potential job losses represent the clearest and most direct impact of a federal policy on the lives of thousands of Northwest individuals, families and communities in memory. The President should not be blamed for carrying out the intent of Congress as expressed in the Endangered Species Act, but many Northwest politicians are already pointing the finger of blame at the President. (see addendum for statements of Northwest Democrats).

Extraordinary events are occurring in traditional blue collar Democratic Northwest communities as people vent their anger at proposed federal action which threatens to put them out of work and change their way of life. Fundamental party realignment is a real possibility. (see addendum for evidence of fundamental political realignment).

Still, most Americans strongly favor environmental protection and will not support a solution that allows the Spotted Owl to become extinct even though they oppose the jobs losses which would accompany the Thomas proposal. (see addendum for results of Washington and Oregon polling data).

### **a. The President**

President Bush has an opportunity to cement his support with traditional northwest Democratic working families as they increasingly understand that their Democratic office holders are willing to sacrifice jobs to please national environmental organizations. Depending in large measure on a concerted effort by the President and other Republicans, this issue can permanently realign Northwest partisan loyalties. Most immediately, Jolene Unsoeld from Southwest Washington could lose her House seat. The President can be seen as the defender of jobs, people, families and communities, as he supports a balanced solution that saves the owl from extinction and saves jobs for workers.

### **b. Northwest Members of Congress**

The President can expect strong support from nearly all northwest Republican Congressmen and all northwest Republican Senators. (see addendum with editorial support from leading northwest newspapers).

Northwest Democrats blame the administration for potential job losses while disclaiming any responsibility to amend the Endangered Species Act. They also point to other related issues, including log export restrictions as a substitute for an adequate supply of federal timber. (see addendum "Related Issues").

Here, good policy and good politics are the same. The President can create a new, strong constituency while saving the Spotted Owl from extinction.

**ADDENDUM**

## ADDENDUM

### **Purpose**

This addendum provides information and data to support the conclusions reached in the attached memo.

### **1. The Thomas Report**

The Northern Spotted Owl is being considered for listing, on June 23, as an endangered or threatened species by the Secretary of Interior under the Endangered Species Act. The interagency Thomas Committee, composed only of wildlife biologists, produced a plan solely designed to optimize the number of Spotted Owls. The committee estimates that 1465 owl pairs exist today on Northwest federal lands. Their report proposes a plan to expand that number to 2000 pairs. It is estimated that the total number of Northwest owl pairs is 6059. (see attachment for owl data).

The Spotted Owl is important scientifically because it is an indicator species showing the health of Old Growth forests. The real debate and focus of environmental groups is on preserving Old Growth trees.

The Thomas report recommends establishment of Habitat Conservation Areas (HCAs) which would be set aside from any commercial timber harvesting. The proposed HCAs would comprise 8,444,650 acres in Washington, Oregon and California. **Forty percent of these lands are already set aside from timber harvesting in National Parks and Wilderness.** The HCAs would take about 5.6 million new acres out of timber harvesting. Of these, 1.1 million acres are on state and private lands. (see attachment for data on land set asides).

The HCAs in Washington State represent 56% of the available federal timberlands.

These set asides would result in a 2.4 billion board foot reduction from the annual Northwest federal timber harvest to preserve owl habitat.

#### **a. What a "Board Foot" means to people**

The Forest Service estimates that nine people receive direct employment and nine receive indirect employment when each one million board feet of timber is harvested. The Washington State Department of Employment Security recently concluded that when one direct timber job is lost, 1.6 indirect jobs are lost. Thus, under the Forest Service estimates, for each reduction of a billion board feet in timber harvest, 18,000 people will be put out of work while Washington State estimates that 23,400 jobs will be lost.

Memorandum for  
The President of the United States

Working Families in Peril:  
The Timber Supply Crisis in Oregon

Introduction

Current federal agency proposals threaten to seriously reduce the timber supply on which much of Oregon's economy is based, destroying dozens of timber-dependent towns in Oregon and robbing thousands of working Oregon families of a future in our state.

Timber: Oregon's Economic Base

One-third of America's lumber and plywood is produced in Oregon and Washington -- 20% from Oregon alone. Half of that production comes from timber grown on federal lands managed by the Forest Service (Department of Agriculture) and the Bureau of Land Management (Department of Interior).

The timber industry dominates the industrial base in most of Oregon. There are more than 250 wood processing plants in Oregon, and one-fourth of all jobs in the state (over 250,000) are created by the timber industry. In dozens of small rural communities timber production provides the entire economic base. Through property taxes and federal timber receipt payments the timber industry supports public schools and county government in every part of the state.

The future of the timber industry and these many timber-dependent communities depends on a continuous, stable and adequate supply of logs. Federal lands have for decades supplied a large share of these logs (currently over four billion board feet per year in Oregon alone), and must continue to do so to preserve these communities and protect the economic base of the state.

The Oregon Timber Supply Crisis

There are three major issues threatening Oregon's federal timber supply:

1. *Northern Spotted Owl*: the proposal by the U.S. Fish and Wildlife Service to list the northern spotted owl under the Endangered Species Act.
2. *Ancient Forests*: proposals to set aside vast tracts of forest lands for protection of so-called "ancient forests."

3. *Forest Plans*: proposals for Forest Plans (required under federal law) for individual national forests which substantially reduce timber supply.

### Impacts

These proposals, if adopted, would devastate much of the Oregon economy, leaving thousands of families jobless, homeless and without a future. Entire towns would disappear along with the sawmills which support them.

The recent federal agency biologists' proposal for a spotted owl management plan would eliminate 1.2 billion board feet of federal timber per year in Oregon, destroying 20,000 jobs throughout the state. If the spotted owl is listed under the Endangered Species Act further restrictions on federal, state and private lands would destroy thousands more jobs.

Proposed federal forest plans would eliminate another 700 million board feet of federal timber in Oregon, destroying 12,000 additional jobs.

Ancient forest proposals could effectively eliminate all harvesting of federal timber in Oregon, destroying over half the jobs in the forest products industry.

### The Solutions

There is no single solution to all these problems. But there are separate solutions to each of them -- available to the Executive Branch of Government under existing law -- which can reduce or even avoid job losses in Oregon without sacrificing environmental values.

#### 1. An evidentiary hearing on the spotted owl listing proposal.

The U.S. Fish and Wildlife Service has never in its history made a decision as momentous as the pending spotted owl listing proposal. There has been and is great controversy over the scientific basis for this decision. Federal agency biologists have based recommendations on biased and inaccurate data reviewed in secret, behind-closed-door meetings.

The people of Oregon deserve a listing decision based on open, fair procedures -- permitted under the Endangered Species Act -- which can employ the traditional legal tools of fact-finding, including cross-examination of witnesses in an open forum. A request for such an "evidentiary hearing" is presently under consideration by the Secretary of the Interior. A six-month delay in the listing decision, permitted by law, would be required to complete the hearing. This delay would also allow consideration

of new spotted owl surveys presently being conducted on one million acres of private and state timber land in Oregon.

An evidentiary hearing will assure the most accurate, reliable listing decision possible. There is a good chance such hearing would lead to a decision not to list the owl. Even if the owl is ultimately listed, such a hearing would make the decision more acceptable to affected citizens.

2. Convene the Endangered Species Exemption Committee if the owl is listed.

If the owl is listed, the Cabinet-level Endangered Species Exemption Committee can vote to permit federal timber sales to proceed which would otherwise be prohibited by law. The committee functions best if a federal agency requests such an exemption. If the Departments of Agriculture and Interior are directed to ask the committee for exemptions for their timber sale programs, massive short-term job losses could be reduced or avoided while further research is conducted to find ways to protect the spotted owl and maintain forest production.

3. Postpone the completion of pending forest plans until the spotted owl issue is resolved.

The spotted owl listing decision will change the fundamental land management assumptions on which all the Forest Service's pending forest plans are based. Completing the forest plans before the owl issue is resolved will needlessly remove lands from timber production without coordinating these set asides with necessary owl protection decisions. Governor Goldschmidt last week called on the Forest Service to halt most Oregon forest plans until the owl issue is resolved.

The Forest Service should be directed to postpone the completion of its Pacific Northwest forest plans, and to continue operations under its existing plans, until the spotted owl issue is resolved.

4. Amend Forest Service regulations to require the Forest Service to consider community stability as an important factor when it completes the forest plans.

Current Forest Service regulations require the Forest Service to give the highest priority in preparing forest plans to protection of wildlife and other non-commodity values. The needs of people are secondary, and commodity production is permitted only to the extent it does not conflict with values to which the Forest Service has assigned a higher priority.

The Forest Service should be required to amend its regulations to require that the needs of people be given equal weight to the

needs of wildlife. The Forest Service should be required to assure that its forest plans provide a minimum level of timber production which assures the stability of timber-dependent communities.

5. Amend Forest Service regulations to limit wildlife protection to steps required by the Endangered Species Act.

Forest Service regulations currently require the agency to afford wildlife even *broader* protection than is called for by the Endangered Species Act. The recent agency biologists' spotted owl proposal was based on this regulation, not on any statute.

Forest Service regulations should be amended to bring the agency's policy in line with the Endangered Species Act. A coordinated federal wildlife management policy will lead to better wildlife protection and better balance between the needs of wildlife and the needs of people.

6. Support pending log export legislation.

The Senate and a House committee have passed legislation restricting the export of state and federal logs. A conference committee is meeting next week to reconcile differing proposals in the two bills. The legislation is supported by the environmental community and much (but not all) of the timber industry.

Enactment of this pending legislation will make a small but significant contribution to increasing domestic log supply in order to partially (by no more than 10%) counteract the effects of proposed reductions in federal timber supply. Presidential approval of this legislation when enacted by Congress will contribute to the overall solution to the Oregon timber supply crisis.

Conclusion

Prompt and effective action by the Executive Branch of Government can reduce or eliminate the Oregon timber supply crisis.

May 20, 1990