

Allegheny Forest Alliance

Winter 2007 Newsletter

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WINTER BOARD MEETING TO BE HELD

The first quarterly Board meeting of the 2007 year is scheduled to meet at noon on February 13th at the Olmsted Manor in Ludlow. All Board members are encouraged to attend this initial meeting of the year.

A BIT OF HISTORY

There has been much ado about ASQ on the ANF for as long as I have served as Executive Director of the AFA. In fact, it has been and remains the central issue for discussion regarding culture, customs and economy of the region. So, from a historical perspective, what about the “allowable sale quantity” (ASQ) on the Allegheny?

In November of 1998, the Forest Service published a fact sheet titled, “*Timber Use – Volume and Value of Harvest – Allegheny N.F.*” The report listed the board footage harvested annually dating back to 1940. Keeping in mind, the ANF was dubbed the “brush heap” when it was chartered in 1923 because it had been virtually denuded through commercial harvest, it made a remarkable comeback, and by 1940 it yielded slightly more than 4mmbf.



The average timber harvest from 1940 through 2005 rose to 35.3mmbf. While that may seem modest, one must remember the inventory was at most only 70 years old. During the later years, 1986 to 1998, the ASQ actually rose to 62mmbf, a testimony to the forest’s resilience and fast maturing hardwood composition.

The sharp rise from 1986 to 1998 also reflected the new (1986) forest plan, which called for an ASQ of 94.5mmbf. For several reasons that figure was artificially high. For one, it corresponded with the unfortunate tornado event of 1985, which left many trees horizontal across the forest requiring a quick response. Second, Forest Service leadership reiterated on many occasions the lack of “resources” (personnel or money) to prepare such large annual sales. As a result, in 1995 they issued an amended number (53.2mmbf) in a report called the “*Analysis of Timber Harvest Program Capability.*” The THPC did, however, cite an optimal figure of 77.1mmbf annually provided adequate regeneration could be achieved.

Many, including this writer, believe the 77.1mmbf is not far fetched given what we know about the ANF. For starters, even-age management has proven to be highly successful with regard to regeneration (as

high as 96%). Second, the forest inventory is largely mature and ready to be harvested. Perhaps the biggest barrier remaining to achieve the optimal number is the will to do so.

The new proposed forest plan calls for a ceiling of 64.9mmbf, considerably less than the optimal figure in the THPC. In addition, achieving the 64.9mmbf figure is contingent upon receiving adequate funding, which recently has been about half of what will be needed. So, what might we expect over the next ten to fifteen years? Probably the ASQ will not be too different than the average over the last sixty plus years, or 35mmbf. I'm sure in the minds of most professional foresters in the region that is an unfortunate circumstance because that rate of success is not likely to achieve the desired future condition with respect to sustainability.

UNCERTAINTY FOR 2007

The six year authorization of **PL106-393**, commonly called the "*Secure Rural Schools Act of 2000*," ended on September 30th with no reauthorization attempts completed in the 109th Congress. As a result, school districts and townships in the four county region are very concerned about future budgets. In order to fully appreciate the problem, we need to examine its roots.

Since national forests were carved out of taxable land base at the turn of the last century, a federal law was passed early on requiring the government to compensate school districts and counties (townships) for the lost revenue necessary to meet expenses for schools and roads. As revenue shares declined severely in the late 1990's, **PL106-393** was enacted to provide a safety-net for rural communities that were finding it increasingly more difficult to provide necessary services. **PL106-393** authorized an annual guaranteed payment for six years to all school districts and counties within the boundaries of any national forest in lieu of the traditional 25% payment. The law was to sunset after six years with the anticipation receipts would rebound and there would be no further need for the guaranteed payment. Unfortunately for most rural communities, the rebound has not occurred.

Once again, a concerted effort is underway to petition the 110th Congress to reauthorize this important law. Our own congressman, John Peterson, is among those promoting this legislation. As in the past, the AFA will continue to take an active role in the reauthorization process and will keep constituents informed appropriately. I would also encourage all constituents to contact your congressman as well as Senators Specter and Casey encouraging them to support this effort. In addition, make it clear an annual opt out provision is in our vital interest and that it could reduce federal expenditures in any given year.

2006 RECEIPT FIGURES RELEASED

ANF supervisor, Kathleen Morse, recently released information regarding the FY'06 revenue share, which is of utmost importance to fiscal managers serving the seven school districts and thirty-three townships within the ANF region. The announcement emphasized the fact that this year's amount was the highest ever paid, equating to \$12.65 per acre and totaling \$64,273 more than last year.

Before we start confusing Uncle Sam with Santa Claus, it must be pointed out the **PL106-393** included a provision raising the annual payment by an amount equal to 50% of the consumer price index. Therefore, payments to rural school districts and counties have been slightly higher each of the six years

of its authorization. **The amount distributed for FY'06 is \$6,491,618.** County payments break down as follows, the variation in amount related to the amount of national forest acreage in each:



- **Elk - \$1,415,566**
- **Forest - \$1,505,337**
- **McKean - \$1,713,757**
- **Warren - \$1,856,618**

It is also important to note that under the law counties get to keep 15% of the safety-net for restricted purposes leaving just 85% of the total for schools and roads. In other words, school districts and townships, which traditionally were the exclusive recipients of 25% payments, must share safety-net revenue with counties. As you know, in our commonwealth counties bear no responsibility for the management of schools and roads. Therefore, when school districts and townships determine whether there is a net benefit for safety-net payments over 25% payments, they must figure in the 85% differential.

It is also important to point out that **PL106-393** did not allow a choice between the two payment methods. Once counties opted for the safety-net, they were required to remain in the program for the duration of the law.

What about the potential for 25% payments for FY'06? Unlike last year, the amount that could have been available is less than schools and townships will receive under **PL106-393**. Although more timber was offered in 2006 than 2005 (29mmbf vs. 25mmbf) less was actually harvested (21mmbf vs. 27mmbf). Purchasers only pay when they harvest, not when they are awarded the sale. In fact, they have several years to actually get the timber out of the forest.

Although the rate of return remained roughly the same (\$1 per board foot), total receipts for FY'06 were only \$21.7M, which breaks down to a revenue share of \$5.4M. That figure comes up slightly short of what the school districts and townships will receive from 85% of the safety-net, which calculates to \$5.5M.

With a larger and larger amount of sold timber in the “pipeline” so to speak along with an aggressive sale for FY'07 (projected to be about 35mmbf) the future for 25% payments looks bright assuming the rate of return remains similar and the contractors actually harvest the timber. Only time will.

NEW DIRECTION IN DC



The congressional election last fall changed the complexion of both the House and Senate for the 110th Congress. Democrats swept into control by the slimmest of margins and will now direct the agenda for at least the next two years. What might we expect as a result of this “new direction?”

According to many insiders, little substantive change will occur because even though the Democrats are in charge, their numerical advantage is ever so slight. In fact, it is less even than the situation in the 109th Congress with the Republicans in control. The predicted result is further gridlock because it

will be even harder to muster enough support across the isle to successfully move legislation.

As an indication of just how slim the margin was in November's election as well as how evenly divided our country is between red and blue patrons, consider the following. Had fewer than 78,000 votes (distributed strategically across the nation) been reversed, the 110th Congress would be the exact same composition as the 109th Congress. Without a doubt the November election for 2008 will be a wild affair indeed and not just because it will be a presidential election year.

Leadership changes on congressional committees will, however, have a definite impact on what proposals will be marked up and potentially reach the floor. But, as was the case for the past six years, mustering up 60 votes in the Senate to bring closure will be difficult to achieve particularly regarding highly sensitive and polarized issues. The result will likely be similar to the dilemma faced in the last six years when little substantive legislation made its way to the President's desk.

In conclusion, unless a wave of bipartisan collaboration sweeps across the Senate and House floors, which is highly unlikely in the minds of most, I see very little happening during the 110th Congress.

AFA ANNUAL MEETING REPORT

The seventh annual membership meeting for the AFA was held at the Kane Area Middle School on Monday evening, January 15. It was the best attended meeting to date attracting nearly 100 members. Certainly, this was due in large part to the guest speakers available for comments and questions. They included Mark Rey, Undersecretary of Agriculture in charge of the USFS, Congressman John Peterson from the 5th Congressional District and ANF Supervisor Kathleen Morse.

Several issues of importance to the membership were reviewed including the projected outlook in DC with the changing of the guard in Congress. Perhaps the issue that garnered the most interest and discussion was the new forest plan expected to be available for public review in mid to late March. The plan, which has been several years in development, has finally been completed according to Supervisor Morse and is in the process of final review by the regional supervisor. Following the review, the many documents for distribution must be printed by the government printing office. Once it is let to the public there will be a ninety day period for comment after which the new plan will go into effect.



The Board of Directors is grateful to the guest speakers for their willingness to share their thoughts and ideas regarding issues so vital to our constituency. Each one understands the integral role the ANF plays in the well being of our rural communities and each has indicated they will do their best to promote our interests.

Business items on the agenda included a financial report, a brief review of coalition issues including the status of safety-net reauthorization and the election of Dale Anderson, Don Payne and Warren County Commissioner John Bortz as Board members for three year terms.

PRESERVED FOR FUTURE GENERATIONS

I have always been intrigued by the statement often used by environmental zealots claiming zero land management in all its many forms ensures “preservation for future generations.” On face value one could argue such a statement is unattainable because what they claim they are preserving is actually dynamic in nature and can never truly be preserved in its current state.

Most often what exists today in the woods or anywhere else for that matter will not resemble what exists ten to fifteen years from now for any of several reasons. Consider the tornado that swept through our region in 1985. The entire structure of wooded land in and around this region changed dramatically in a brief moment in time. In many parts of the woods, little was preserved in its pre-afternoon state.

Consider also the insidious attack of exotic pests and disease. Beech, hemlock, sugar maple and several other tree species are under assault making it difficult if not impossible to preserve the diverse structure that currently exists. Just recently, another issue popped up on the radar screen - over visitation. Popular sites in several preserved locations including Yosemite National Park are being overrun by tourists who are causing serious damage. This dilemma may result in limited visitation for future generations. How ironic can you get?

More perhaps to the point of the issue is whether or not future generations even want or expect the land to be preserved. Who honestly can speak for future generations and their desires and needs? I would answer only an arrogant fool. Historically, progress has hardly ever been based on preservation. If it was, slavery would still exist, we would still be traveling by horse, and the general store would not be a Wal-Mart. Indeed, progress in these United States has always included the use of our nation's resources. Granted, their use was not always wise, but they were used to enhance opportunity and provide a more progressive society.

I honestly believe it is in our best interest and that of our posterity to let future generations decide for themselves what they feel is in their best interest. We were left to choose and while we made mistakes, most have been reconcilable. We must not allow ourselves to become so self-righteous that we undermine the ingenuity and resourcefulness of our grandchildren and their grandchildren. Like our fathers before us, we must not hinder their ability to pursue life's path by restricting the means at their disposal. Let them decide for themselves.

Your membership contribution for 2006 is due. Payment ensures you are represented in advocating for multiple-use management and a sustained yield on the Allegheny National Forest. Thank you.

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