

Tongass Economic Timber MOU

Background

The southeast timber industry is on the verge of collapse due to the shortage of timber from the Tongass National Forest. The Tongass covers the vast majority of SE timber land. Federal timber sales have dwindled to a fraction of the level of previous decades. Even when sales survive public review processes and legal challenges, they are often designed in ways that are uneconomical to harvest. Thus many sales go unpurchased even when mills are in desperate need of timber. Economic alternatives are not fully incorporated into early stages of the sale design and review.

In contrast, the DNR Division of Forestry (DOF) has done an excellent job of designing and offering economically feasible timber sales on state land. This is due primarily to the expertise and experience of the SE DOF forestry staff regarding the specific terrain, vegetation types, industry infrastructure, and transportation systems of southeast Alaska.

To improve the feasibility of federal sales, the State of Alaska and USFS mutually agreed to involve the DOF in the sale review process. In FY06, the State and USFS signed an MOU committing to this process. Under the MOU, DOF is charged with reviewing proposed sales, taking operating costs and constraints into consideration, and recommending economically feasible alternative designs for inclusion in the remainder of the planning process.

In FY06, DOF did a pilot test of the process, recommending alternatives for the Navy and Iyouktug Tongass timber sales. Both of these timber sales were considered to be uneconomic (deficit sales) during the initial review. DOF designed economic alternatives, based on the available harvest unit pool, topographic maps and transportation plan maps. These economic alternatives were accepted for both timber sales and were incorporated into the sale plans.

Current Status

Based on results from the pilot study, the state and federal agencies both endorsed continuation of this process, asking DOF to provide recommendations on all proposed timber sales on the Tongass, and extended the MOU for another five years.

This program is part of the “Bridge Timber” initiative to support mills in southeast Alaska that face shortages in federal timber. Other components of this program are accelerated timber sales on state land, participation in the Tongass Futures Roundtable, and state participation in revision of the Tongass Land Management Plan.

Briefing Paper

Needed Action

The USFS projects a large increase in the number of sales submitted to the state for review beginning this year. They estimate that it would take at least one full time DOF forester to review all of their upcoming yearly sales. The pilot test for the two sales was accomplished with existing DOF staff. However, the DOF forest management staff is already committed to the design, layout, and administration of state sales on state land in southeast that supplement the USFS timber supply. Given the anticipated increase in federal sale proposals, continued state participation in the MOU depends on funding a position dedicated to the review and analysis of USFS timber sales in the initial planning process. DNR is requesting a \$100.0 increment in the continuation budget to support this program.

Continuation of this MOU will benefit southeast timber processors; loggers, road construction companies, truckers, and other associated support services that depend on survival of the local timber industry. This will provide an economic benefit to southern southeast Alaska, including Ketchikan, Wrangell, and the Prince of Wales Island communities that are home to processing facilities.