

Alaska Timber Task Force Recommendations and Status

March 21, 2013

Recommended time frame: ST = short term (1-2 years), MT = medium term (3-4 years), LT = long term (≥5 years)

★ = High priority – indicates the top five priorities from Task Force

Additions since March 27, 2013 are shown in blue.

Recommendation	State Agency Lead	Status and comments
Management of State-owned forest land		
Task 1, Recommendation 1 - ST Establish a DNR “Roads Office” and increase DNR’s one-time procurement level to \$20 million	DOF	Under discussion
Task 1, Recommendation 2 – ST/MT Provide funding for road development and maintenance on state forest lands: \$2 million	DOF with input from DMLW and ADF&G	In process: <ul style="list-style-type: none"> DOF received a \$2 million CIP for the Southeast State Forest in 2012 and a \$4.75 million RSA from DOT. All state forests have small amounts (\$10-25 thousand) annually of road maintenance funds from the timber sale program receipts account. DOF is hiring two Engineering Assistant III positions. DOF is looking for avenues to procure new bridges to replace two out-of-service bridges in the Tanana Valley State Forest.
Expansion and establishment of legislatively-designated state forests		
Task 2, Recommendation 1 - ST Add 1,124,613 acres of forest-classified land to the Tanana Valley State Forest	DOF/DMLW with input from ADF&G	In process: <ul style="list-style-type: none"> The completed Yukon-Tanana Area Plan is under review – adoption is pending. YTAP identifies about 90,000 acres of additions to the TVSF for legislative consideration. The Eastern Tanana Area Plan is under development by DMLW. ETAP will identify important additions to the TVSF. After the area plans are adopted, DOF will support legislative designation of these areas as part of the TVSF

★ Task 2, Recommendation 2 – MT/LT Add 2 million acres of Tongass National Forest land to the Southeast State Forest	DOF with input from DMLW and ADF&G - Identification of potential areas or parcels and recommendations to GO GO to pursue legislative action	See Task 5, Recommendation 1
Task 3, Recommendation 1 – ST/MT Create new Susitna State Forest	DOF and Board of Forestry with input from DMLW and ADF&G.	In process: HB79/SB28 introduced by Governor. The GO and DOF will be meeting with local governments beginning in August to build support for the bill for the 2014 session.
Task 3, Recommendation 1 - ST Create new state forests in <ul style="list-style-type: none"> • Copper River • Kenai-Cook Inlet • Icy Bay 	DOF with input from DMLW and ADF&G	DOF will review area plans and work with DMLW, ADF&G, and local interests to identify candidate lands for introduction to the legislature in or after 2015 in these areas and in the Kuskokwim Basin.
State timber harvesting statutes and regulations		
Task 4, Recommendation 1 - ST Change regulation for small negotiated sales to allow two years to complete contracts (AS 38.05.115).	GO, LAW, and DOF with input from the Board of Forestry and legislative action	In process: AGO and DOF have drafted a regulation change to extend the time for completion of negotiated sales up to 500 MBF from one year to two years. Will adopt package of regulatory changes after statutory change to AS 38.05.118.
Task 4, Recommendation 2 - ST Revise state authority for large negotiated sales to allow more flexible use (AS 38.05.118). Update DOF regulations to be consistent with the statutory change.	GO, LAW, and DOF with input from the Board of Forestry and legislative action.	In process: DNR has determined that authority already exists to offer long-term competitive sales. No change needed.
Task 4, Recommendation 3 -ST Remove requirement to publish public notice in statewide newspaper for most timber sales	DMLW	Done: HB361 already changed the public notice requirements (AS 38.05.945) in the 2012 legislative session. Posting the notice on the state online notice site is now mandatory; publication in newspapers is optional.

DOF= DNR Division of Forestry; DMLW = DNR Division of Mining, Land, and Water; ADF&G = Alaska Dept. of Fish and Game; GO = Office of the Governor

Task 4, Recommendation 4 - ST DOF and State Historical Preservation Office (SHPO) work cooperatively to develop: <ul style="list-style-type: none"> • Programmatic work agreement • Joint funding agreement • Increase communications 	DOF and SHPO	Ongoing: Regular communications between SHPO and DOF continue; discussions for developing a programmatic agreement remain at an early stage
Tongass National Forest land ownership and management		
★ Task 5, Recommendation 1 – MT/LT Pursue state ownership or management of 2 million acres of Tongass National Forest	DOF with input from DMLW and ADF&G: Identification of potential areas or parcels and recommendations to GO GO: Pursue state ownership and/or management authority	In progress: Draft map completed, proposed areas being internally vetted.
★ Task 5, Recommendation 2 – ST/LT Work with other states to seek change in management of federal lands	GO (including D.C. staff)	Under consideration: Changes could include state management of federal land, transfer of federal land to state ownership, or actions by Congress or the USDA to increase timber harvest on National Forest lands. <ul style="list-style-type: none"> • State Forester Maisch testified in front of the House on HR 1294 (Self-Sufficient Community Lands Act) and HR 818 (Restoring Healthy Forests) and in the Senate Energy and Natural Resources Committee hearing on challenges and opportunities for improving management of national forest land. AK is working to form a state and national coalition to advocate for NF management changes, including WGA, NASF, and Intertribal Timber Council. • DOF has asked the USFS to provide a list of State lands they would be interested in acquiring. The USFS has expressed interest in State lands adjacent to the Chugach but have not submitted a list of parcels.

Task 5, Recommendation 3 – ST Support finalization of Sealaska land entitlement, Alaska Mental Health Trust administrative land exchange, and settlement of land entitlements for unrecognized Southeast AK Native communities	GO (including D.C. staff)	In process: <ul style="list-style-type: none"> DOF continues to work with the Trust on their land exchange under an RSA between DOF and the Trust. DOF has provided comments on the Sealaska Lands bill. The State proposed changes to the conservation areas within the legislation; approximately 75% of the proposed changes have been included in the Senate version of the legislation.
Task 5, Recommendation 4 – MT Administratively exchange 250,000 acres of state land with the federal government and disperse the newly acquired land among Southeast AK communities	DMLW	
Timber demand and supply		
Task 6, Recommendation 1 – ST Support management, research, and legal efforts to assure access to adequate, consistent, and sustainable timber supply on federal and state land. Develop new wood products and increase product diversity.	DCCED with input from DOF and Dept. of Law	Ongoing: <ul style="list-style-type: none"> DCCED supported DOFs efforts to increase Alaskan resident awareness of the proposed Susitna State Forest (HB 79/SB28) at the MatSu Business Alliance Industry Fair. The addition of the Susitna State Forest would increase timber availability in the Southcentral area. One strategy for supporting increased timber supply is studying and promoting new wood products that diversify Alaska’s forest products industry. Over time, continued diversification of the industry and forest products will lend support for increased timber supply.
Task 6, Recommendation 2 – ST Provide substantive state comments on the 5-year TLMP review. Advocate for community-based timber sales and timber supply to all types of businesses.	State Tongass Team	In process: State staff participated in public meetings in Ketchikan and Juneau for the Tongass Forest Plan five-year review. State staff also participated in public meetings in Ketchikan and Juneau for the Tongass Conservation Strategy. The State provided substantive consolidated agency comments through the State Tongass Team, under a cover letter by Commissioner Sullivan, to the Forest Service in response to their public comment notice for the Forest Plan five-year review. Follow-up discussions with the Forest Service are anticipated before completion of the five-year year process, which is expected to be completed by Oct. 1, 2013.

LAW = Dept. of Law; SHPO = DNR State Historic Preservation Office

<p>Task 6, Recommendation 3 – ST Support research on socioeconomic impacts of declining timber supply, declining timber industry, and USFS policy and practices in Southeast AK</p>	<p>DCCED with input from State Tongass Team</p>	<p>Ongoing: DCCED will continue to provide research services, as needed, to support State Tongass Team efforts.</p> <ul style="list-style-type: none"> • During late 2011 and early 2012, DCCED interviewed approximately 90 direct and indirect forest products businesses regarding current operations, challenges, and timber supply need. Research findings will be used to advocate for a timber industry needs in Southeast. • Completed: DCCED provided detailed SE timber industry socioeconomic impact data to the Governor’s Office to be used in the States comments on the USFS Five Year TLMP Review. • Underway: DCCED Development Specialist staff compiling a letter and packet to send out to all forest product businesses that participated in the survey. Packet will include a briefing of the results of the survey as well as the Task Force recommendations.
<p>Task 6, Recommendation 4 – ST Support research on the timber supply needed for a fully-integrated timber industry</p>	<p>DCCED with input from State Tongass Team</p>	<p>Ongoing: DOF has developed a cooperative agreement with The Working Forest Group (TWFG) for an old growth study on the Tongass to determine land base available and needed for industry. USFS has funded young-growth study with TWFG, which is looking at acres/volume needed for a robust and diversified timber industry. DCCED provides staff assistance to consultant.</p>
<p>Task 6, Recommendation 5 – ST/MT Frame state and national forests in AK as working forests for communities and economies</p>	<p>DCCED and DOF</p>	<p>Ongoing:</p> <ul style="list-style-type: none"> • DOF is cooperating with The Working Forest Group (TWFG) which has developed a working forest concept incorporating social, economic, and environmental considerations. The working forest concept will be applied to Alaska’s state and federal forests to advocate for sustainable use of timber resources. Marketing of the working forest concept has started, with support by DOF, OPMP, and DCCED. • DCCED, DNR and TWFG held a collaborative meeting in May to discuss individual and group efforts in ensuring that the Working Forest concept is being introduced to all industry groups. All DCCED DSII’s provided insight into each industry sector’s ideals/needs/interpretations. • DCCED plans to host a Socioeconomic/Working Forest Summit in September in conjunction with the Southeast Conference annual meeting to be held in Sitka. The goal of the summit being to promote the awareness of the working forest concept and SE socioeconomics in regards to all resources industries.

DCCED = Dept. of Commerce, Community, and Economic Development

<p>★Task 7, Recommendation 1 – ST</p> <p>Ensure that the USFS begins the planning process necessary to advertise four 10-year timber sales with 15-20 MMBF/year each</p>	<p>GO -- DC office</p>	<p>In process: Big Thorne is the first 10-year sale. Wrangell Island is the second.</p> <ul style="list-style-type: none"> • Wrangell Island will go through the public scoping process again by the end of Sept. 2013. The project does not provide the minimum volume for a 10- year sale. Sales 3 and 4 and uncertain. • Big Thorne will be offered in multiple sales. The first will be the biggest (90-100 MMBF) and will be offered as a stewardship contract that can be awarded prior to the end of September 2013. The sale may be for a 7-year period instead of 10.
<p>Task 7, Recommendation 2 – ST</p> <p>Direct state agencies to participate in the 5-year TLMP review; promote revisions to provide an economic timber volume to sustain a fully-integrated timber industry. Revise the TLMP wildlife conservation strategy, land use designation, scenic integrity objective, and visual priority routes</p>	<p>State Tongass Team</p>	<p>In process:</p> <ul style="list-style-type: none"> • In November 2012, Team members participated in a workshop on the form and function of the existing Forest Plan and the 5-year review process. • The State Tongass Team Coordinator sent a letter to the Forest Service in December 2012, outlining preliminary issues related to the implementation of the Tongass Forest Plan and how the State viewed its role in the five-year review. • The State provided substantive consolidated agency comments through the State Tongass Team, under a cover letter by Commissioner Sullivan, to the Forest Service in response to their public comment notice for the Forest Plan five-year review. • The Alaska Forest Association and Southeast Conference has contracted with D.R. Systems NW to do a study of the Tongass Conservation Strategy and develop an Economic Threshold Analysis. State Tongass Team members from ADFG and ADNR have participated in the technical committee assembled by SEC.

<p>★Task 7, Recommendation 3 – ST</p> <p>Pursue all opportunities for exempting AK national forests from the 2001 Roadless Area Conservation Rule</p>	LAW	<p>In process:</p> <ul style="list-style-type: none"> • The State (AGO) filed an appeal on the Alaska District Court ruling that invalidated the Tongass National Forest exemption from the Roadless Rule – it is in review in the 9th Circuit. • The State also filed suit in the District of Columbia on the underlying legality of the Roadless Rule in the Tongass. This case was dismissed by Judge Leon based solely on the argument that AK failed to file within the 6 year statute of Limitation. The State has appealed the dismissal to the Federal Court of Appeals for DC. We do not yet have a briefing schedule in the appeal, so we are at a minimum many months away from any decision on this appeal. If we win on the appeal, it will be sent back to the District case to resume the case on the merits. No briefs have been filed on the merits, so if the case resumes, we will then be at a minimum many months from a decision on the merits of the Roadless Rule.
<p>Task 7, Recommendation 4 – ST</p> <p>Maintain and expand state involvement in the design and review of Tongass timber sales and integrated management projects</p>	State Tongass Team	<p>Ongoing. DOF continues early on the ground involvement with USFS planning. In the 2013 legislative session, DOF received \$50K in CIP funding for additional Tongass work.</p>
<p>Task 7, Recommendation 5 – ST</p> <p>Review, revise, renew, and consolidate state-federal MOUs. Continue State participation from Gate 1 forward in Joint Review Team for Tongass timber sales</p>	State Tongass Team	<p>In process: The State Tongass Team Coordinator is the lead working on revision of Tongass MOUs. DOF met w/ USFS in November 2012. State Tongass Team Coordinator and USFS Planning Staff Officer worked on extending MOUs for 1 year; extensions signed in June 2013.</p>
<p>Task 7, Recommendation 6 – ST</p> <p>Continue the Gate 3 Committee with state, federal, and industry representatives; include the committee in TLMP monitoring and evaluation</p>	DOF	<p>Ongoing: Gate 3 Committee met in June; Committee expanded to include private and public landowners and USFS District Rangers.</p>

Task 7, Recommendation 7 – ST Seek Cooperating Agency status for the state under NEPA when appropriate	State Tongass Team	Ongoing: Existing MOU for Forest Plan implementation may be amended to better define the State’s cooperating agency role during NEPA (see Task 7 Recommendation 5). The MOU was extended one year (to June 30, 2014) to allow the Forest Service to 1) complete the five-year review of the Tongass Forest Plan, and 2) decide whether or not to establish an advisory committee tasked with considering policy changes related to young-growth management; both efforts may result in changes to the Forest Service/State relationship described in the existing MOU for Forest Plan implementation.
Task 7, Recommendation 8 – ST Clarify the organization and responsibilities of the State Tongass Team	GO	In process: State Tongass Team Coordinator circulated a draft guidance document related to the form and function of the State Tongass Team to team members and member agencies for review and comment in February 2013. Edits have been incorporated based on feedback. Final guidance document expected later in 2013.
Task 7, Recommendation 9 – ST Develop cooperative agreements with USFS to improve project and permit coordination and approval	State Tongass Team	Ongoing. The USFS has developed internal guidelines, similar to the guidelines being developed for the State Tongass Team, that aim to standardize how Forest Service planning teams are expected to include the State in project-level planning efforts. A meeting between members of the State Tongass Team and the Tongass Leadership Team is tentatively scheduled for Sept. 2013, where existing MOUs and other agreements will be discussed.
Wood Products Development		
Task 8, Recommendation 1 – ST Increase support for products that use primary and secondary timber resources and encourage full utilization of forest resources.	DCCED with input from DOF	Ongoing: DCCED is investing additional staff time and resources in exploring forest products that use primary and secondary timber resources. It is anticipated this will be long-term effort and additional support will be needed to promote products that use both primary and secondary forest resources.

<p>Task 8, Recommendation 2 – ST Assess and promote new wood products and wood product diversity</p>	<p>DCCED with input from DOF</p>	<p>Ongoing: DCCED is investing additional staff time and resources in evaluating new wood products via collaboration with partner entities. A long-term DCCED effort will require additional support to determine viable new wood products, with ready markets, and carry-out the promotion of high value-added wood products. DCCED is increasing participation at trade shows, conferences, and other meetings focused on marketing diverse wood products.</p> <ul style="list-style-type: none"> • DCCED has developed a new tradeshow booth (Made in Alaska Home Display) featuring products made from Alaskan timber. • Made in Alaska Home display presence: <ul style="list-style-type: none"> • Anchorage Home Show – March 2013 • Alaska Timber & Log Home Show – April 2013 • MatSu Valley Business and Alliance Industry Fair - in partnership with the DOF – June 2013 • DCCED has developed a new tradeshow booth featuring products made from Alaskan timber. • DCCED is listing sample products in an online directory featured on the Division’s website at: www.commerce.alaska.gov/ded/dev/pub/madeinalaskahomedirectory.pdf
<p>Task 8, Recommendation 3 – ST/MT Support workforce development</p>	<p>DOL&WD, DEED (DEED contact: Helen Mehrkens)</p>	<p>Ongoing: DEED, DOL&WD, and UA work in concert on workforce development programs, and there is an active Workforce Development Board. The WD Board met recently in Ketchikan, and a forest products industry representative raised the issue of the lack of skilled and technical workers for the timber industry. DEED will provide information on the existing programs, and then the agencies and others can start to evaluate workforce development gaps.</p>

DOL = Dept. of Labor & Workforce Development; DEED = Dept. of Education & Early Development

Task 8, Recommendation 4 – ST/MT Support research on grading impacts, market feasibility of new wood products, full research utilization, and manufacturing efficiency. Remove industry barriers related to wood product grading.	DCCED with input from DOF and industry	Ongoing: DCCED is conducting research exploring grading impacts for the wood products industry. Findings will inform efforts to remove grading barriers to wood product development and marketing. A long-term DCCED effort will require additional support to identify grading barriers and develop viable solutions to Alaska’s grading challenge.
Task 8, Recommendation 5 – ST Provide marketing support for high-value-added wood product manufacturers.	DCCED	Ongoing: See notes for Task 8, recommendations 1,2, and 4 DCCED is deliberating on statute changes regarding the Forest Product Preference program that would increase the number of businesses qualified and decrease the annual requirements to be more in line with the Alaska Product Preference program. The FPP and APP programs offer a 7% preference, respectively, to qualified bidders.
Task 8, Recommendation 6 – ST Provide technical assistance to entrepreneurs and small businesses that are considering new wood products, expanding operations, or considering innovations	DCCED, AIDEA, State Chamber of Commerce?	Ongoing: DCCED is increasing business retention and expansion assistance outreach, with focus on supporting new wood product entrepreneurs through financing, technical assistance, research, and marketing services. <ul style="list-style-type: none"> Reconnecting with forest product businesses that completed the Forest product business survey during the winter of 2012/2013 to gain insight on industry change especially after the USFS announcement regarding the immediate transition to young growth. DCCED Micro Loan Program was approved in FY 2013. Its goal is to promote economic development in Alaska by helping small business access needed capital. <ul style="list-style-type: none"> \$35,000 per person or up to \$70,000 for two or more people. Maximum term 6 year Maybe used for: working capital, equipment, construction or other commercial purposes for a business located in Alaska.

AIDEA = Alaska Industrial Development and Export Authority

Additional research needs		
<p>Task 9, Recommendation 1 – ST/MT Fund ADF&G to conduct research for</p> <ul style="list-style-type: none"> • Estimating wolf populations in GMU 2 and 3 • DNA-based estimates of deer populations in SE • Estimating deer numbers in GMU 3 using DNA-based methods and assessing causes and rates of mortality 	<p>Funding - GO Research – ADF&G</p>	<p>ADFG has initiated research on wolf populations in SE Alaska in response to the ESA petition. This information will be collected over the next 3-4 years.</p> <p>ADFG has identified development of a DNA-based abundance estimate for deer as a priority in that the information is needed for IM implementation in GMUs 1 and 3. However, funding for this work has yet to be identified.</p>