

Alaska Timber Task Force Recommendations and Status

December 19, 2018

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

Blue text shows updates since prior version.

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	Completed: The roads office was established and DOF hired two Engineering Assistant III positions. One subsequently converted to a Forester IV. One EA III still employed. Budget reductions in FY16 and a difficult environment for CIP funds resulted in closure of the office. The remaining EA III transferred into the Area Forester position in KTN. Once the fiscal situation improves, this office should be established again. Access is critical for resource development. There has been no change to procurement levels.
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	Done: DOF received a \$2 million CIP for the Southeast State Forest in 2012 (\$1.6 million spent on Edna Bay infrastructure development and the Aurora Access road improvements on POW to State timber), and a \$5.0 million RSA from DOT (\$4.75 million RSA from ADOT for the Vallenar Rd project. Construction awarded 4 th quarter FY16). <ul style="list-style-type: none"> • The 7.1-mile Vallenar road was completed in 2018 including installation of six bridges, including an 80’ bridge on Vallenar Ck. Provides access to state timber. • DOF is assessing bridge and maintenance needs statewide and is looking for avenues to procure new bridges to replace two out-of-service bridges in the Tanana Valley State Forest. One bridge replacement project was advertised and came in over-budget forcing the cancellation of the project. DNR is exploring other solutions. In Process: DOF received a CIP for \$896.0 thousand for emergency road repair funding for Tanana Valley State Forest Roads in 2015. Damaged sections of the Standard Creek. road were reconstructed and repaired. Repair of the Cache Creek bridge is scheduled for summer 2019. <ul style="list-style-type: none"> • Coordination with ADF&G to utilize Pittman Robertson funding (federal) with DOF match for major road maintenance projects in the Susitna Valley and within the TVSF are progressing. Projects planned in 2019.

Expansion and establishment of legislatively-designated state forests

<p>Task 2, Recommendation 1 - ST Add 1,124,613 acres of forest-classified land to the Tanana Valley State Forest</p>	<p>DOF/DMLW</p>	<p>Ongoing:</p> <ul style="list-style-type: none"> • The completed Yukon-Tanana Area Plan was adopted in January 2014. YTAP identifies about 90,000 acres of additions to the TVSF for legislative consideration. • The completed Eastern Tanana Area Plan was adopted by the Commissioner on August 28, 2015. ETAP identified approximately 218,000 acres of forest lands for legislative consideration as additions to the Tanana Valley State Forest; consisting of 165,013 acres for the Fairbanks Region, 26,803 for the Delta Region, and 26,116 for the Upper Tanana Region. • Now that both area plans are adopted, DOF will support legislative designation of these Forest classified areas as additions to the TVSF. • Need to determine process for moving ahead with legislation to include these acres in the Tanana Valley State Forest.
<p>★Task 2, Recommendation 2 – MT/LT Add 2 million acres of Tongass National Forest land to the Southeast State Forest</p>	<p>DOF with input from DMLW and ADF&G - Identification of potential areas or parcels and recommendations to GO GO to pursue legislative action</p>	<p>See Task 5, Recommendation 1</p>
<p>Task 3, Recommendation 1a – ST/MT Create new Susitna State Forest</p>	<p>DOF and Board of Forestry with input from DMLW and ADF&G.</p>	<p>2013-14: A bill to establish a Susitna State Forest was introduced by Gov. Parnell as HB-79/SB-28. It passed through the Senate Resources Committee and was heard and held in Finance. The House version of the bill was heard twice in the Resources Committee and held. The legislation died at the end of the session.</p> <ul style="list-style-type: none"> • A large outbreak of spruce bark beetles has caused widespread mortality with approximately 1 million acres of white spruce in the Susitna Valley affected. As part of an overall response, should the topic of a state forest in the region be reconsidered?
<p>Task 3, Recommendation 1b - ST Create new state forests in</p> <ul style="list-style-type: none"> • Copper River • Kenai-Cook Inlet • Icy Bay 	<p>DOF with input from DMLW and ADF&G</p>	<p>Ongoing: 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.</p> <ul style="list-style-type: none"> • Staff capacity is limited by the 35% reduction in forest management staff since FY16, so little progress has been made on this task. The Icy Bay unit would make good sense to pursue and legislation would be required.

State timber harvesting statutes and regulations

<p>Task 4, Recommendation 1 - ST Change regulation for small negotiated sales to allow two years to complete contracts (AS 38.05.115).</p>	<p>GO, LAW, and DOF with input from the Board of Forestry and legislative action</p>	<p>Completed: The proposed change to the regulation on small negotiated sales was part of a package of amendments to 11 AAC 71 that would separate the regulations for timber sales from those for material sales. That proposal is still waiting for DMLW completion of the material sale revisions. DOF will proceed with regulations to change 11 AAC 71.045(e) regarding small negotiated sales and 11 AAC 71.055 to align the regulations for negotiated sales under AS 38.05.118 with the recent changes in the statute (see Task 4 #2, below). Change made and effective 6/2018.</p>
<p>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.</p>	<p>GO, LAW, and DOF with input from the Board of Forestry and legislative action.</p>	<p>Completed:</p> <ul style="list-style-type: none"> • DNR determined that authority already exists to offer long-term competitive sales without waiting for statutory changes. • SB32 passed in the 2016 session and the Governor signed it. The bill removed requirements for high local unemployment, underutilized allowable cut, and underutilized processing capacity. The flexibility allows DNR to provide more of the state timber to local processors. All state sales must still be within the allowable cut.
<p>Task 4, Recommendation 3 -ST Remove requirement to publish public notice in statewide newspaper for most timber sales</p>	<p>DMLW</p>	<p>Completed: 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.</p>
<p>Task 4, Recommendation 4 - ST DOF and State Historical Preservation Office (SHPO) work cooperatively to develop:</p> <ul style="list-style-type: none"> • Programmatic work agreement • Joint funding agreement • Increase communications 	<p>DOF and SHPO</p>	<p>Ongoing: Regular communications between SHPO and DOF continue; discussions for developing a programmatic agreement are continuing.</p> <ul style="list-style-type: none"> • Several work sessions with staff have occurred and funding for archeological surveys for timber sale projects are requested on an as needed basis. Surveys are paid for by DOF via and RSA to SHPO. • Key DOF forest planner position was lost to budget reductions that facilitated this work.

Tongass National Forest land ownership and management

<p>★Task 5, Recommendation 1 – MT/LT Pursue state ownership or management of 2 million acres of Tongass National Forest</p>	<p>DOF with input from DMLW and ADF&G: ID potential areas or parcels and make recommendations to GO. GO: Pursue state ownership and/or management authority</p>	<p>Ongoing:</p> <ul style="list-style-type: none"> • Draft map completed, proposed areas being internally vetted. DOF shared a draft map w/ DMLW and ADF&G and received comments from ADF&G. • Senator Stedman introduced Senate Concurrent Resolution 2 in 2013 urging the Governor to acquire additional state land in the Tongass National Forest through existing selection authority, amending the Alaska Statehood Act, or purchase. The resolution passed out of the Senate Judiciary Committee on March 10 and was sent to the Senate Rules Committee. SCR2 was passed by both House and Senate and on 6-17-14 became a Legislative Resolve. • Sen. Murkowski introduced S3203 in July 2016. The bill directs the USDA to transfer by quit claim deed up to 2,000,000 acres of eligible federal land within 90 days of a request for conveyance from the state. • Rep. Young introduced H.R. 232 in January 2017. The “State National Forest Management Act of 2017” would allow states to select eligible National Forest lands. In Alaska, up to 2 million acres may be selected by the state.
<p>★Task 5, Recommendation 2 – ST/LT Work with other states to seek change in management of federal lands</p>	<p>GO (including D.C. staff)</p>	<p>Completed: HR 3979, adopted Dec. 2014, included a provision to allow harvest of some timber on the Tongass national forest prior to culmination of mean annual increment which will be critical to the transition to young growth.</p> <p>Ongoing: 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.</p> <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. • GO is currently working on federal legislation with other states and national organizations. Lt. Gov. spoke in support of transferring federal lands to states at American Lands Council.

		<ul style="list-style-type: none"> • Via the National Association of State Foresters and other partner groups, advocated for provisions in the Farm Bill under the Forestry Title that authorized Good Neighbor Authority (GNA) contracting with states. Additional provisions increased the use of categorical exclusions (CX) for projects on national forests, improved Stewardship contracting authority and created a better environment for active management of the nation’s forests. • The 2018 Farm Bill is pending signature by the President and has a slimmed down Forestry Title but provides additional tools for active management. • In late 2018, Secretary Perdue announced a new initiative called Shared Stewardship for USDA. The focus is on working with states to address the needs for increasing the pace and scale of active management of the nation’s forests, especially federal forests. Increases opportunities for GNA, stewardship contracting and collaboration with states.
<p>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</p>	<p>GO (including D.C. staff)</p>	<p>Ongoing:</p> <ul style="list-style-type: none"> • Senator Murkowski introduced S3203 which finds that USFS-Mental Health Trust land exchange is in the public interest and directs that the exchange occur if the MHT offers to convey its identified lands. • DOF continues to work with the Mental Health Trust on their land exchange under an RSA between DOF and the Trust. The valuation consultation and feasibility analysis are complete. The Trust land exchange continues to move forward. BOF updated by AMHT Lands Office at each BOF meeting. • Phase I of the AMHT land exchange is expected to be completed on 1/11/19. This will provide important timber volume for the Viking sawmill on POW. <p>Done: HR3979 passed in Dec. 2014 to finalize the Sealaska entitlement. The interim conveyance has been issued for the economic development land which is very important for Sealaska to continue to operate.</p>
<p>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</p>	<p>DMLW</p>	<p>No update.</p>

Timber demand and supply

<p>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.</p>	<p>DNR DCCED with input from DOF and LAW</p>	<p>DNR: In 2013, the USDA Secretary issued a memorandum addressing Sustainable Forestry in Southeast Alaska, directing the Tongass National Forest “to speed the transition away from old-growth timber harvesting and towards a forest industry that utilizes second growth – or young growth – forests.” DOF and the USFS are working collaboratively with communities, and other partners through a Challenge Cost Share Agreement to improve existing young growth information, increase economic opportunities for local communities in both the short- and long-term. DOF is the lead to coordinate over \$4.3 million in federal funded activities.</p> <ul style="list-style-type: none"> • Work was accomplished thru a variety of partnerships which included: workforce development and training at the community level, intensive forest inventory effort on YG timber, conducted by the state and field work completed in 2018, mentoring of FS staff on economic timber identification and layout, stream survey work, socioeconomic and monitoring framework, technical assistance to landowners and research partnership with UAS. <p>Ongoing: 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.</p> <ul style="list-style-type: none"> • 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. • Closely watching developments in the Cross Laminated Timber (CLT) and similar engineered wood products for opportunities for YG manufacturing once enough wood volume in YG is available. • Keeping pace with forestry carbon projects being developed and sold on the CA exchange. Education of landowners (SAF meeting on Carbon Trading- 2018), discussion and presentations to the BOF. Several private landowners (ANC) have completed sales in southeast with 5-8 projects pending. Only private lands are eligible for sales under current protocols. • Continue collaborative work and provide timber supply for various wood biomass projects statewide. Working to demonstrate a combined heat and power gasification unit in the Fairbanks area. FEDC, CCHRC, ACEP, AEA, USFS and local communities are key partners in this effort.
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<p>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.</p>	<p>State Tongass Team</p>	<p>Completed: 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 DNR Commissioner Sullivan, to the Forest Service in response to their public comment notice for the Forest Plan five-year review. The State Forester participated on the Tongass Advisory Committee to advise the USFS on amending the Tongass Forest Plan. The State submitted a state alternative to the plan update process.</p> <p>Ongoing: The final amendment is out for review and is subject to an objection process under the new planning rules. The State is coordinating comments among agencies and was an objector. The State is reviewing several policy issues. The advisory committee work is complete but some of the former members are continuing to work on the Tongass Plan and implementation issues via a new ad hoc organization called the Tongass Transition Collaborative. This group formed to help ensure the F.S. implemented the plan as envisioned and undertook a “cultural” change in their workforce to achieve this goal.</p> <ul style="list-style-type: none"> • A new Tongass Land and Resource Management Plan was signed in 2016. The state has actively worked to help with plan implementation and to correct deficiencies.
<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 and the Tongass Transition Collaborative</p>	<p>Ongoing:</p> <ul style="list-style-type: none"> • DCCED will continue to provide research services, as needed, to support State Tongass Team efforts. • 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. • This support work had been curtailed due to budget reductions at DCCED but the Challenge Cost Share Project (Task 6, Recommendation 1) is funding work on a

		socioeconomic monitoring framework and training to help track how the TLMP and transition to YG is affecting the region.
Task 6, Recommendation 4 – ST Support research on the timber supply needed for a fully-integrated timber industry	DCCED with input from State Tongass Team	<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. The agreement has been extended through 12-31-13.</p> <ul style="list-style-type: none"> This support work had been curtailed due to budget reductions at DCCED however work by DOF and State Tongass Team are addressing aspects of this Task.
Task 6, Recommendation 5 – ST/MT Frame state and national forests in AK as working forests for communities and economies	DCCED and DOF	<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 regard to all resources industries. Much of this support work had been curtailed due to budget reductions at DCCED and DOF. Work on Task 7, Recommendation 3 is addressing this topic and a 2018 editorial by the Deputy Commissioner from DNR was published on the Roadless Rule and impact on communities and economics of the region. <p>CEDS included the following information in the 2017 document entitled: Northern Opportunity- Alaska’s Economic Development Strategy.</p> <ul style="list-style-type: none"> Objective: Sustain and grow the timber and forest products industry in Alaska Objective Partners: Alaska Division of Forestry, U.S. Forest Service, The Nature Conservancy, ARDORs and local economic development organizations, Cold

		<p>Climate Housing Research Center, Resource Development Council, Sustainable Southeast Partnership, Wood Energy Task Group.</p> <ul style="list-style-type: none"> Objective Resources: Alaska Forestry Academy, Alaska Native Corporation forest lands. Action Items: <ul style="list-style-type: none"> Promote and support the wood product manufacturing industry. Improve access to sustainable timber resources and inventories in Southeast Alaska. Support local timber industry specific workforce development programs and potential apprenticeships. Maintain existing timber industry infrastructure. Grow biomass energy use in Alaska by 10 percent. <p>View the full report at this link: https://northernopportunity.com/wp-content/uploads/2017/10/Final-Statewide-CEDS.pdf</p>
<p>★Task 7, Recommendation 1 – ST 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>Ongoing: Big Thorne is the first 10-year sale. Wrangell Island is the second. The State was an intervenor in support of the Big Thorne sale. The court heard oral arguments and upheld the sale and the Ninth Circuit denied the motion for an injunction pending appeal. Viking started harvest operations, and as of summer 2016, the Big Thorne Sale was 70% complete. Operations were focused on hauling out of decks. No logging was occurring. Viking did not treat it as a long-term sale. Briefing on the merits of the appeal was scheduled to conclude in August 2016. There may not be a final decision until fall or winter, during which period harvest may continue. This case ended with a win for the Forest Service and interveners (State) and the sale is nearing completion.</p> <ul style="list-style-type: none"> Wrangell Island has completed scoping and a draft EIS is anticipated in summer 2014. This project does not provide the minimum volume for a 10- year sale. The Wrangell sale was offered in 2018 and there were no bids. The sale has numerous issues and may become a GNA project for the state. Sales 3 and 4 are uncertain. The Central Kupreanof Island landscape scale analysis project was initiated in 2017 and the project is running into numerous challenges. The project is intended to NEPA clear suite of work including: timbers sales, restoration work and other projects for a ten-year period. See Task 7, Rec. 4 for a discussion on the POWLAT project.

<p>Task 7, Recommendation 2 – ST 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>See also update on 5-year review under Task 6, recommendation 2. Completed:</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 DNR 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 Pursue all opportunities for exempting AK national forests from the 2001 Roadless Area Conservation Rule</p>	<p>LAW and DOF, OPMP</p>	<p>In process: Litigation:</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. The three-judge panel of the Ninth Circuit Court of Appeals reversed the District court and held that the Rule Exempting the Tongass from Roadless Rule is valid. The village of Kake filed a petition seeking a rehearing of the matter by the full court, which was granted. An en banc panel of the Ninth Circuit judges heard arguments on the case and invalidated the original 9th Circuit decision. Alaska petitioned for review with Supreme Court. The USDA filed a motion in opposition to the review. The US Supreme Court denied the petition for review, so the Exemption is now dead in the 9th. • The State also filed suit in the District Court for the District of Columbia on the underlying legality of the Roadless Rule in Alaska. 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 U.S. Court of Appeals for DC. Oral argument was held on September 18 on the narrow issue of whether the State has timely filed this case within the limits of the statute of limitations. The state prevailed, and the case was returned to the District court

		<p>for a briefing on the merits of the case. A decision is due. The court granted the defendants' motion for dismissal in September 2017. In November 2017, the state and co-plaintiffs filed a notice of appeal to the U.S. Court of Appeals for D.C. and oral arguments were scheduled for the fall of 2018. The defendants filed a motion for abeyance and that was granted by the court with no discussion on the merits for such a decision. Defendants claimed the ongoing rulemaking process may obviate the need for the court case. The state disagrees. The court ordered that every 90 days a status review be filed with the court. The first is due December 25th. If the state is successful in having the abeyance lifted, the court will schedule oral arguments. There is likely to be an appeal regardless of the outcome. If the court issues a decision vacating the rule, it would represent a difference in outcome between circuits, since the 10th circuit upheld the rule, and the case would therefore be a prime candidate for Supreme Court review. The federal agency could ask for a stay pending appeal and review. The case affects the standing of the Rule nationwide.</p> <p>Rulemaking per the Administrative Procedure Act (APA):</p> <ul style="list-style-type: none">• In late 2017, the state filed a petition with Secretary Perdue to undertake a rulemaking process to reestablish the Tongass roadless exemption. The Secretary denied that request but approved a rulemaking process that would formulate an Alaska specific roadless rule with a full exemption to be one of the alternatives considered. The state was granted Cooperating Agency status and reestablished the state Tongass Team with OPMP co-chairing to work with the Forest Service Inter Disciplinary Team (IDT).• The Governor issued AO-299 to establish the Alaska Roadless Rule Citizen Advisory Committee to advise the Governor and State Forester with specific options for how to proceed with the rulemaking. The group held public meetings and completed a final report in November 2018.• As a cooperating agency, the state continues working with the FS on the rulemaking and six alternatives have been developed for analysis in the NEPA process. The DEIS is due out in June 2019 and a ROD by June 2020.• Rulemaking Petition Request also requested a TLMP revision to delete the Roadless Rule provisions pending the outcome of the process.
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<p>Task 7, Recommendation 4 – ST Maintain and expand state involvement in the design and review of Tongass timber sales and integrated management projects</p>	<p>State Tongass Team and/or DOF, ADF&G</p>	<p>Ongoing: DOF continues early on the ground involvement with USFS timber sale planning. In the 2013 legislative session, DOF received \$50K in CIP funding for additional Tongass work.</p> <ul style="list-style-type: none"> • The state has continued to provide input and advise for timber sale projects, including the Prince of Whales Landscape Scale Assessment (POWLAT) process. This is the next large project (ten-years) that will produce a mix of OG and YG volume. A ROD was released on 12/18 and the objection process is underway. • The state signed a Master Agreement under the Good Neighbor Authority (GNA) in 2016 and completed negotiations on the first Supplemental Project Agreement (SPA) in 2017. The SPA was for DOF to conduct a large YG timber sale project on Kosciusko Island on federal land near Edna Bay. The sale used purchaser layout as part of the plan to accomplish the project and the sale of 30-million-feett was sold for \$2.2 million. Harvesting should commence in 2019. The state will also offer a timber sale on the Southeast State Forest in 2019 in the same general area. • A second SPA was signed in 2018 and a joint state and federal timber sale was offered on Gravina Island near Ketchikan. This sale utilized the Vallenar road (Task 1, Rec. 2). The sale is 16 million feet and a mix of OG and YG volume. There were no purchasers, but the sale has been reworked and will be offered by the end of the year. • A third SPA was signed for hazard tree removal work in the Chugach National Forest in late 2018. Work will commence in 2019 with state crews.
<p>Task 7, Recommendation 5 – ST Review, revise, renew, and consolidate state-federal MOUs. Continue State participation from Gate 1 forward in Joint Review Team for Tongass timber sales</p>	<p>State Tongass Team</p>	<p>Completed: In June 2014, the Governor’s Office signed a revised MOU with the USFS for continued, and improved, agency cooperation in the implementation, amendment, revision, and review of the Tongass Forest Plan. The revised MOU consolidated three existing MOUs related to implementing the Tongass Forest Plan.</p>
<p>Task 7, Recommendation 6 – ST Continue the Gate 3 Committee with state, federal, and industry representatives; include the committee in TLMP monitoring and evaluation</p>	<p>DOF</p>	<p>Ongoing: Gate 3 Committee expanded to include private and public landowners and USFS District Rangers. Gate 3 Committee met on February 26, 2014. The Committee is drafting a letter to the Regional Forester and Forest Supervisor with suggestions on how to improve implementation of forest management projects.</p> <ul style="list-style-type: none"> • Gate 3 Committee is not active. • The All Landowners Group was established and consists of major land owners or managers of the region. (Sealaska, Mental Health Trust, U.A. Trust Land Office, DOF and USFS). Purpose is to coordinate timber management work, infrastructure

		needs and related economic issues common to all. Recently chaired by UA Trust Lands Office.
Task 7, Recommendation 7 – ST Seek Cooperating Agency status for the state under NEPA when appropriate	State Tongass Team or State Agency	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. See also Task 7 Recommendation 5. <ul style="list-style-type: none"> • See Task 7, Recommendation 3- State is Cooperating Agency.
Task 7, Recommendation 8 – ST Clarify the organization and responsibilities of the State Tongass Team	GO	Ongoing: The State Tongass Team Coordinator finalized a guidance document for the function of the State Tongass Team in September 2013. The guidance will be periodically reviewed and amended, as necessary. <ul style="list-style-type: none"> • The team was in hiatus for a period due to policy direction and budget challenges. • The team was recently reactivated to work on the roadless rule project.
Task 7, Recommendation 9 – ST Develop cooperative agreements with USFS to improve project and permit coordination and approval	State Tongass Team	Completed: In June 2014, the Governor’s Office signed a revised MOU with the USFS for continued, and improved, agency cooperation in the implementation, amendment, revision, and review of the Tongass Forest Plan. The revised MOU includes specific provisions that guide the USFS to use a Project Initiation Letters (PILs) to detail which state representative(s) will be involvement in the project’s interdisciplinary team (IDT) and what their role(s) will be.

Wood Products Development		
<p>Task 8, Recommendation 1 – ST Increase support for products that use primary and secondary timber resources and encourage full utilization of forest resources.</p>	<p>DCCED with input from DOF</p>	<p>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> <ul style="list-style-type: none"> • This support work had been curtailed due to budget reductions at DCCED.
<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 • This support work had been curtailed due to budget reductions at DCCED.
<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> <ul style="list-style-type: none"> • Workforce development is a key aspect of the Challenge Cost Share (CCS) work being completed under Task 6, Recommendation 1. A resource academy has been held on POW for the past three years to train residents to work in the forest inventory and stream survey field projects that are part of the CCS project.

<p>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.</p>	<p>DCCED with input from DOF and industry</p>	<p>Need update: 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.</p>
<p>Task 8, Recommendation 5 – ST Provide marketing support for high-value-added wood product manufacturers.</p>	<p>DCCED</p>	<p>Need update: 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.</p> <p>DCCED is wrapping wood products into marketing work such as home shows and improvements to the Made in Alaska booth</p>
<p>Task 8, Recommendation 6 – ST Provide technical assistance to entrepreneurs and small businesses that are considering new wood products, expanding operations, or considering innovations</p>	<p>DCCED, AIDEA, State Chamber of Commerce?</p>	<p>Need update: 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.</p> <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.

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>Need update: ADFG is in the third year of research on wolf populations in SE Alaska in response to the ESA petition. Based on research to date ADF&G has been able to determine wolf abundance levels and determine that wolf viability is not at risk in Southeast Alaska. ADFG will continue to gather information over the next several years. In the interim, ADFG will continue to use traditional metrics and regulatory forums to ensure wolves remain viable across SE.</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>
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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

LAW = Dept. of Law

SHPO = DNR State Historic Preservation Office

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

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

AIDEA = Alaska Industrial Development and Export Authority