

Alaska Board of Forestry 2019 Annual Report to the Governor

A Review of the Alaska Forest Resources and Practices Act: Implementation and Effectiveness

April 2, 2020

The Alaska Board of Forestry

The Board of Forestry provides a forum for forest practices issues and management of forests on state land. The Board monitors the implementation and effectiveness of the Forest Resources and Practices Act and reports its findings to the Legislature and Governor. Board members represent the following constituencies:

- ◆ DNR State Forester, Chris Maisch, Chair
- ◆ Native Corporations, Nathan Lojewski
- ◆ Professional Forester, Will Putman
- ◆ Recreation, Chris Beck
- ◆ Fish & Wildlife Biologist, Bill Morris
- ◆ Timber Industry, Eric Nichols
- ◆ Commercial Fishing, Mark Vinsel
- ◆ Mining, Denise Herzog
- ◆ Environmental Organization, Chris Stark

**2019 Report from the Board of Forestry to the Governor on the Forest
Resources and Practices Act (FRPA)
April 2, 2020**

The Board of Forestry is pleased to submit our annual report to the Governor regarding the Forest Resources and Practices Act (FRPA) and forest management issues in Alaska. This letter presents our recommendations on the following topics:

1. Generating jobs and being fiscally responsible
 - Southeast Alaska timber, trade war and other challenges
 - Increasing the market for Alaskan timber
 - Diversifying with partnerships between recreation and forestry
 - Cost-cutting efforts
 - Leveraging federal funds
 - Open for business
2. Wildfire and risk management
3. Forest Practices Act Effectiveness
 - Minimizing environmental impact of timber harvest
 - Funding Department of Environmental Conservation (DEC) field presence

GENERATING JOBS AND BEING FISCALLY RESPONSIBLE

The Board commends the Division of Forestry (DOF) in their efforts to generate jobs for Alaskans while being fiscally responsible, despite market challenges outside their control.

Southeast Alaska timber, trade war and other challenges

As the U.S. Forest Service's timber sales in the Tongass National Forest continue to decrease, the State is under increasing pressure to offer sales to maintain a timber supply for the local industry. While DOF offers all the timber allowable with a small workforce in Southeast Alaska, the timber industry has encountered many challenges due to tariffs and trade wars with China. As uncertainty associated with tariffs depressed the market, other suppliers displaced U.S. suppliers as they forced a surplus of beetle-damaged timber from Europe into China. This surplus drove prices down and reduced market opportunities for Alaskan timber companies. China is the primary market for young growth logs, which are beginning to be produced in Southeast Alaska from multiple ownerships. The Board encourages the Administration and Legislature to support a prompt resolution to trade issues at the national level.

We appreciate the Administration's efforts to support Alaskan timber companies by introducing and supporting legislation to allow more flexibility in negotiated sales. These proposed statute changes will give timber companies the ability to take advantage of both export and local markets when available, while continuing to support local manufacturers of wood products. As part of the effort to encourage and sustain an export timber program, the Board would like to

encourage the Administration to support a robust phytosanitary¹ program within the Division of Agriculture. This program is a key component of the process of exporting logs, and the Division of Agriculture now has only one inspector. The Board recommends that there be a contingency plan for this work to be accomplished, in the case of COVID19-related illness or travel restrictions.

Increasing the market for Alaskan timber

Our existing Forest Resources and Practices Act and Regulations program is one of the most rigorous and robust systems in the United States, creating a sustainable and ethical supply of timber for the industry. The Board has begun to explore ways to take advantage of our high standards in the marketplace by demonstrating to potential buyers that our timber is harvested responsibly. One potential way to do this is by obtaining a “Responsible Source” certification for Alaskan timber. Especially in difficult market conditions, a demonstrably higher quality product will be more attractive to purchasers and open markets for sales of Alaskan timber otherwise not available.

Diversifying with partnerships between recreation and forestry

The Board commends DOF for launching a pilot program for a partnership between forestry and recreation groups and agencies. In the Tanana Valley State Forest’s Rosie Creek area, DOF plans to use Federal Highway Administration (FHWA) funds (administered by the Division of Parks and Outdoor Recreation through their Recreational Trails Program) to regrade an 18-mile system of forestry roads, post the roads with directional signs and maps, and provide parking for the public by grading and clearing an inactive material site of junk cars. While DOF awaits final approval from FHWA for the grant, they are already working on plans to apply for Round 2 of the 2019-20 Recreational Trails Program grant program. This new proposal will provide funding for clearing brush and regrading the Haines State Forest road system.

These forestry/recreation initiatives are intended to diversify and increase the types of activities on State Forest lands, taking advantage of the fact that recreation activities can benefit from appropriate use of timber management roads, and timber management can benefit from access to funding associated with recreation. An additional benefit is the chance to demonstrate to the public the positive impacts of good forest management, while supporting Alaska’s timber program.

Cost-cutting efforts

In an effort to cut our own costs to the state budget, the Board of Forestry changed our practices from attending three in-person meetings a year to conducting two meetings by teleconference, and holding just one in-person meeting a year that incorporates a field visit to important sites in one of the three FRPA regions. Our Spring meeting was held successfully with most Board members calling in from individual offices or homes due to risks associated with COVID-19. The summer in-person meeting is tentatively scheduled for August, but due to on-going COVID-19 concerns, we may need to hold that meeting via teleconference as well.

¹ The phytosanitary program ensures that logs being shipped to foreign markets meet plant health requirements of importing countries. Not all countries require a phytosanitary certificate for logs, but China and potentially Japan in the near future do.

This is just one way the Division of Forestry is working actively to reduce costs while increasing economic benefits of forestry in Alaska. We recommend that the Division's budget not be reduced further on either its forest resources side or its fire prevention and suppression side.

Leveraging federal funds

The Board is pleased with the efforts of DOF, the Administration, and Legislature to take advantage of federal funds when possible, by using State funds as match for grants for work on fuel breaks, building forestry roads, providing recreation opportunities, and increasing positive exposure to the public about forestry. Spending our funds wisely by leveraging state funds to receive many more federal dollars will continue to improve our ability to provide timber to support Alaskan timber companies, to protect our communities from wildfire, and by supporting recreational investments, give visitors more reasons to spend time and money in Alaska.

Interagency Partnerships

Roadless Rule

The Division is currently preparing comments on the U.S. Forest Service's draft record of decision for the Roadless Ruling on the Tongass National Forest. Since DOF is a cooperating agency, they may comment at this time. USFS plans to publish the record of decision in late spring or early summer.

Young Growth and Landowners' Committee

The Division continues to participate in southeast Alaska's Large Landowners meetings, working with other agencies and Native corporations to resolve issues of concern to all. These meetings are also a forum to interact with the Alaska Forestry Association, exchanging information with industry about current markets and challenges.

Challenge Cost-Share grants

The Board congratulates the DOF on its collaborative work with the U.S. Forest Service through a Challenge Cost Share Agreement to improve existing young growth information and increase economic opportunities for local communities in both the short- and long-term. Work currently focuses on a coordinated, collaborative plan to train agency field crews and to strategically locate economical sales.

WILDFIRE AND RISK MANAGEMENT

Evidence shows that wildfire risks are steadily increasing in Alaska – with the wildfire season starting earlier and lasting later than in the past. Particularly during these uncertain times, when the risks to Alaskans from COVID-19 are still unknown, it is more important than ever to make sure that our communities are prepared for wildfire, and are doing their utmost to protect themselves during the upcoming fire season. The Board produced a Wildland Fire Update (attached) after their summer meeting, which included a tour through the active McKinley Fire. This document is intended to help inform decision-makers, agencies, and members of the public about growing wildfire risks and strategies to minimize wildfire impacts. A particular issue is the need for the public and agencies to consider what might happen in big fire years when Alaska may not be able to resource order and receive the required amounts of resources (firefighters,

aircraft, supplies) from the Lower 48. This issue is arising as the wildfire seasons in Alaska and the lower 48 increasingly overlap, meaning that Lower 48 firefighters who in the past could have lent a hand in Alaska might be needed for large fires in their own states. The question is even more relevant now, considering possible COVID19-related travel restrictions for firefighters in the upcoming fire season.

The Board Update on wildfire encourages the public to prepare their properties by being FireWise, and understanding the rules governing open burning. The update also urges decision-makers to provide state funding to build and maintain fuel breaks, which can leverage much greater amounts of federal funds. Fuel breaks have been shown to be extremely effective in fighting and suppressing wildfires over the last few fire seasons, and being proactive instead of reactive should save the state money, as well as mitigate risks to Alaskans. Lastly, the Board asks that our in-state fire crews be maintained and supported, to ensure that they are robust and ready for emergencies as they arise.

Currently, state-employed emergency firefighter (EFF) crews may only be used in emergencies, which means that they may not be hired to work on fuel treatment projects. The Board supports the Division of Forestry in its work with the Administration and Legislature to try to remove this restriction, so state-employed EFF crews can be paid to work on vital fuel reduction projects during low fire years and in the off-season. This will both help reduce wildfire risks, and by extending work opportunities, help these crews remain intact and ready.

During last summer's fire season, there was a discrepancy in color codes between the Mat-Su Borough and the Kenai Borough for evacuation orders to the public (Ready-Set-Go). A misunderstanding about an evacuation order could cost lives. The Board encourages the Division to work with Homeland Security and government leaders to adopt a system that is consistent throughout the state.

FOREST PRACTICES ACT EFFECTIVENESS

Minimizing environmental impact of timber harvest

The Alaska Forest Resources and Practices Act (FRPA, AS 41.17) governs how commercial timber harvesting, reforestation, and timber access occur on state, private, and municipal land. The Act is designed to protect fish habitat and water quality and ensure prompt reforestation while providing for an economically viable timber industry.

The FRPA balances economic concerns for the timber industry with water quality and habitat protection needs. The FRPA framework provides certainty and credibility for landowners, operators, and the public, and establishes one-stop shopping for compliance with state and federal clean water standards. The FRPA doesn't issue a permit for activities but relies on commercial forest operator's submittal of a notice of activities via the detailed plan of operations (DPO). DNR is the lead agency and coordinates activities with ADF&G and DEC, and the agencies must act upon the DPO within 30 days. The FRPA depends on a suite of best management practices (BMPs), field inspections by state agency staff and proactive educational efforts to achieve compliance. When required, appropriate enforcement tools are provided by the Act to ensure resources are protected. The net effect of these steps creates an efficient,

practical approach to helping timber and fishing industries continue to provide long-term jobs in support of communities throughout the state.

The Forest Resources & Practices Act, when properly implemented, helps the timber and fishing industries to operate profitably and efficiently while protecting fish habitat and water quality. Continued effectiveness depends on sufficient funding for the resource agencies to carry out their respective duties.

Funding DEC field presence

Because of reductions in funding allocations to the Department of Environmental Conservation's Division of Water (DOW), DOW staff have not been able to participate in field monitoring in recent years. Alaska now lacks the field presence of one of the three key agencies responsible for ensuring compliance with and effectiveness of the Forest Practices Act. The Board of Forestry strongly recommends providing funding to support part of a water quality position to DOW, to allow DEC to once again participate in FRPA field monitoring. The collaboration among *all three* agencies helps ensure the successful continuation of the Alaska timber and fishing industries. This recommendation helps support a stronger Alaska economy. As mentioned above, the continuation of sustainable timber management practices adds value to Alaska timber, and helps to sustain stream quality that supports our commercial and sport fish industries.

FRPA Effectiveness

The Board reviewed the 2019 reports from the departments of Fish and Game, Environmental Conservation, and Natural Resources, and the 2019 compliance monitoring results (see attached reports). Compliance monitoring showed that operators in all regions have high rates of compliance and are implementing the FRPA BMPs properly.

All three agencies reported that FRPA was effective in 2019 in all three FRPA Regions (Region I: Southeast; Region II: Mat-Su/Southwest; Region III: Northern/Copper River). Region I compliance was high with 90% of BMPs evaluated in compliance, although there were individual BMPs which required corrective action. Those BMPs were related to road drainage and adequate number of drainage structures. Improvements were noted from 2018 to 2019 in the BMPs associated with yarding near surface waters and classification of surface waters. Operators were quick to rectify all deficiencies as they were discovered. Active road maintenance and BMPs related to timber harvest were excellent. One training session was held in Southeast. Region II had nine inspections and 93.5% compliance. Region III had 94 % compliance in 2019, an increase from 2018 because of the drier summer. Good grading and overall maintenance was noted throughout the Tanana Valley State Forest.

If a problem arises, DNR provides focused training to operators and makes sure that the issues are addressed. Enforcement authorities are part of the toolbox for ensuring that FRPA is implemented effectively, but this year DNR did not need to issue any enforcement actions. Sustainable Salmon Fund grants helped ADF&G catalog anadromous waters in advance of forest operations in Southeast and on Afognak Island.

Conclusion

The Board endorses the Alaska Forest Resources and Practices Act and its regulations as a practical and effective approach to protecting fish habitat and water quality, ensuring reforestation, and helping to support our State economy by maintaining sustainable timber and fishing industries. We remain committed to the principles of fairness, equitable distribution of costs, enforceability, and professional management upon which FRPA is based.

Sincerely,

A handwritten signature in blue ink that reads "John C. Maisch". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

John “Chris” Maisch, State Forester
Chair, Alaska Board of Forestry

Alaska Board of Forestry

Nathan Lojewski, Alaska Native Corporations
Denise Herzog, Mining Organization
Chris Beck, Recreation Organization
Bill Morris, Non-governmental Professional Fish/Wildlife Biologist
Eric Nichols, Forest Industry Trade Association
Will Putman, Non-governmental Professional Forester
Chris Stark, Environmental Organization
Mark Vinsel, Commercial Fisherman’s Organization

Attachments

- 2019 ADF&G Report to the Board of Forestry
- 2019 DEC Report to the Board of Forestry
- 2019 DNR Report to the Board of Forestry
- Board of Forestry Update: Wildfire