

*Subject to the Approval of
The Federal Lands Interim Committee*

**MINUTES
FEDERAL LANDS INTERIM COMMITTEE
December 4, 2013
Lincoln Auditorium
700 West Jefferson Street
Boise, Idaho**

Co-chair Senator Chuck Winder called the meeting to order at 9:00 a.m.

Members present included: Co-chair Senator Chuck Winder, Co-chair Representative Lawrence Denney, Senators Bart Davis, John Tippets, Sheryl Nuxoll and Michelle Stennett and Representatives Mike Moyle, Eric Anderson, Terry Gestrin (sitting in for Representative Stephen Hartgen) and Grant Burgoyne. Representative Stephen Hartgen was absent and excused. Staff members present were Katharine Gerrity, Ray Houston and Charmi Arregui. Others present included Mitch Silvers, Office of Senator Crapo; Aaron Calkins, Office of Congressman Raul Labrador; Commissioner Jim Chmelik, Idaho County; Commissioner Gordon Cruickshank, Valley County; Commissioner Larry Schoen, Blaine County; Commissioner Jamie Anderson, Boise County; Commissioner Larry Yergler, Shoshone County; Wayne Butts, Custer County Commissioner; Anita Hamann, Division of Financial Management; Bill Myers, Holland and Hart; Jack Lyman, Idaho Mining Association; Seth Grigg, Idaho Association of Counties; Will Whelan and Rick Tholen, Idaho Forest Restoration Partnership; Bill Higgins, Clearwater Basin Collaborative; Tom Richards, Northwest Management, Inc.; Sandra Mitchell, Idaho State Snowmobile Association; David Claiborne, Idaho State ATV Association; Warren Grover, Idaho Act For America; Russ Smerz, Idaho Leadership Council; George Bacon and Herb Malany, Society of American Foresters; Ryan Kerby; Angela Rossmann and Mark Hill, Ada County Fish and Game League; Jonathan Oppenheimer and Evan Hjerpe, Idaho Conservation League; Jerry Deckard, Associated Logging Contractors; Todd Hatfield; Tyler Mallard, Risch Pisca; Jack Stuart, Tea Party Boise; John Caywood; Felix Nuxoll; Betsy Russell, The Spokesman-Review; Brenda Tominaga, Idaho Water Policy Group; Richard Howard, Biosage Consultants; Steven Harshfield; Cailin O'Brien-Feeney, Idaho Outdoor Business Council; Susie Alvord; Coby Tigert, Theodore Roosevelt Conservation Partnership; Joanie Fauci; Joseph A. Rohner; Anne Olden; Chuck Thomas; Ed Wardwell; Buster Gibson, Shoshone-Paiute Tribes; Derek Farr, Stop the Swap; Lewis Work, Work Forest & Wildlife; Jeff Wright; Robert Neugebauer, The Gem State Patriot; Jack Trueblood; Valerie Candelaria, 9-12 Project of Idaho; Chad Inman, Gem State Tea Party; Mike Larkin; Daryl Ford; Sheila Ford; Jeff Barney; Jim Nunley, Idaho Wildlife Federation; Ken Postma; Anne Hausrath; Viki Purdy; Kate Ringer; Forrest Goodrum; Carol Wiens; Sophie Owen; Del Kohtz, American Lands Council Member; Duane Marler; Norm Nelson, Echo Films; Burk Mantel; John Hoff; Dr. Karen Balch; Dr. Olin Balch; and Larry Lundin.

NOTE: All copies of presentations, reference materials, handouts and written testimony are on file at the Legislative Services Office and are also available online at the Legislative Services Office website: <http://www.legislature.idaho.gov>.

Co-chair Winder requested a silent roll call. **Co-chair Winder** noted that the first order of business would be approval of the October 28, 2013 minutes. **Senator Tippetts moved for approval with a second by Senator Nuxoll. The motion passed by unanimous voice vote.**

Co-chair Winder explained the public testimony process for the audience. He noted that remarks would also be accepted in writing. **Co-chair Denney** told the audience that the committee was pleased to see so many people in attendance and looked forward to hearing testimony.

The morning session of public testimony began with **Mr. Chuck Thomas**. **Mr. Thomas** indicated that he recreates on public lands and enjoys the ability to travel even though restrictions are getting increasingly difficult. **Mr. Thomas** noted that over the last approximately fifteen years, some legislators have expressed an interest in selling our public lands to pay for irresponsible spending habits of government. He indicated concerns associated with corporate lobbyists. **Mr. Thomas** went on to say that if public lands are transferred over to the state, the increased taxation concept may sound like a good idea in an ideal world. **Mr. Thomas** noted that with public opinion, and lack of confidence in both political parties due to their actions, transferring these lands at this time is not a good idea. **Mr. Thomas** commented that terms limits were passed a number of years ago but they were unsuccessful in keeping that law in place. He said that there has been an interference with representative government. **Mr. Thomas** said that if the lands are transferred into state hands, he believes the lands will be sold to pay public debt instead of being used for public use and concluded by saying this is not the time to sell off what belongs to the public.

Mr. Ed Wardwell was called as the next presenter. He told the committee that as a native New Yorker he was always frustrated when he wanted to go somewhere with open space to hike and bike and that you would have to go through so much traffic and by so many people to find it. He said that is why he decided to move to Idaho where we have a lot of public space that is open to everyone. **Mr. Wardwell** said that he had the privilege of taking family members from out-of-state to Baron Lakes in the Sawtooth Mountains as well as on the Main Salmon River. He relayed to the committee how impressed his family members were with Idaho and that they have returned to the state to visit after those initial trips. He told the committee that we have people that come to this state because of its open lands and public policy of allowing access to everyone and that it isn't just for the rich. **Mr. Wardwell** said that his fear about transferring land to the state is that we are going to end up with a private Idaho. He stated that one percent of the population control thirty-eight percent of the wealth in this country and they could buy us out. **Mr. Wardwell** said that we would all lose if that happened. **Mr. Wardwell** said that the committee should consider whether a transfer is even possible and whether it is the right thing to attempt from a legal perspective. He said that he knows the members swore to uphold the Constitution of the United States as well as the Idaho Constitution. He noted that Article XXI, Section 19 of the Idaho Constitution states that the people of the state of Idaho do agree and declare "that we forever disclaim all right and title to the unappropriated public lands lying within the boundaries thereof." He told the committee that it is public land and that is what it will remain unless the federal government decides to relinquish it.

Mr. George Bacon was the next speaker. **Mr. Bacon** told the committee he was representing the **Snake River Chapter of the Society of American Foresters**. The society is a national scientific and educational organization representing the forestry profession in the United States. He said that their mission is to advance the practice of forestry to ensure the present and future availability of forest resources to benefit society. **Mr. Bacon** said that the Snake

River Chapter encompasses southern Idaho and has about sixty members made up of active and retired forestry professionals from private, state and federal organizations. He said that they support more active forest management on our federal lands and, as professional land managers from diverse backgrounds, believe they have a unique perspective to share.

Mr. Bacon noted that they understand the mandate of the committee is to determine the process needed for Idaho to acquire title and control of certain federal public lands within the state. He said that the society has no official position in support or opposition of that endeavor.

Mr. Bacon added that they do, however, want to point out specific issues that need to be considered including fire management, infrastructure, forest yield and investment and regulatory constraints. **Mr. Bacon** stated that there wasn't sufficient time to go into the details of their observations but that their group would be available to help the committee if the committee so desired. **Mr. Bacon** submitted detailed comments in writing that more thoroughly address the issues noted above. Those comments are posted on LSO's website noted above. In providing brief examples of the issues, **Mr. Bacon** stated that perhaps the biggest one is the cost of fire management and suppression. He said that currently the state funds fire suppression through deficiency warrants. They question whether that system needs to be looked at if the state could be facing, instead of a bad year of \$20 million, a bad year of \$100 million. **Mr. Bacon** added that right now the state doesn't fully fund the resources it has for fire suppression. He said that the state does this on purpose and he thinks that is good budgetary strategy because it knows it can rent out its resources to federal agencies to fight their fires. **Mr. Bacon** said that they have concerns about the cost the state will be taking on with road management. He concluded by saying all of their concerns are outlined in the posted comments.

The next speaker was **Mr. Evan Hjerpe**, a Ph.D. economist with the Conservation and Economics Institute. He said that he is trained as a forest economist and has taught forestry finance at the university level and has published on the economics of fire management in academic journals. **Dr. Hjerpe** presented the committee with a summary of an economic analysis that he has conducted in cooperation with the Idaho Conservation League. He said that they looked at the fiscal impacts of HCR 22. To determine those, he said they conducted a net present valuation of costs and revenues to the state over a twenty-year time span. **Dr. Hjerpe** said that HCR 22 calls for the transfer of approximately 28 million acres of federal lands which represent about eighty-three percent of all federally-administered public lands in Idaho. He said that for the revenue, they assumed a ramp-up to historical highs of a billion board feet within ten years. He went on to say that for costs they included timber management costs, fire suppression costs, fire suppression preparedness costs, recreation and road maintenance costs and loss of SRS and PILT payments. **Dr. Hjerpe** stated that all costs and revenues were discounted annually at a five percent rate which he noted to be standard practice. **Dr. Hjerpe** continued by stating in the first year of implementation, the potential impacts of HCR 22 would be that the state would incur a loss of almost a quarter of a billion dollars. That amount is equivalent to what the state paid from the general fund in 2013 on the entire public safety program, including the Department of Correction and the Idaho State Police. He said that after five years, these losses accumulate to almost a billion dollars. After ten years they are at 1.5 billion dollars and after twenty years, losses would be over 2 billion dollars. **Dr. Hjerpe** said that upon implementation of such transfer, approximately 2,500 federal jobs would be lost from the state, most of which are in rural communities. This, he said, would cost the state an additional 10 million in income tax. **Dr. Hjerpe** summarized by stating that HCR 22 will cost the state of Idaho billions of dollars that the state does not have. He said that the Idaho Department of Lands, during a meeting of the committee in August, testified regarding their "back-of-the-napkin" calculations. He said that they were looking at a hypothetical similar to the Utah situation. He said that their analysis did not include any county payment loss analysis regarding SRS

and PILT, nor any road and maintenance costs. He said that they have a ten-page analysis and fact sheet available which will be available for the record.

Senator Davis said that he realizes the analysis has been prepared by a strong opponent of the concurrent resolution. He asked whether the analysis numbers have been peer reviewed. **Dr. Hjerpe** responded that the numbers have been peer reviewed. **Senator Davis** asked if the analysis contains information relating to that peer review. **Dr. Hjerpe** responded that it currently does not contain a review of the peer reviewer comments. **Senator Davis** asked if that information could also be provided to the committee. **Dr. Hjerpe** said it would be provided.

Mr. Russ Smerz was the next speaker to address the committee. **Mr. Smerz** told the committee that he is an unpaid lobbyist for Tea Party Boise and is the coordinator for twenty-three liberty groups throughout the state. He went on to say that part of his function as a coordinator, noting that he doesn't speak for all these groups, but rather with them, is to focus what they think are the most important issues facing them as Idahoans. **Mr. Smerz** said that there are approximately 8,000 people represented in these conservative groups. He said that based on the information they have received from individuals here and in Utah, they do support the transfer of federal lands to the state. He said that they believe it will increase school funding and provide better management for the lands. He also noted the historical precedent of the eastern states. **Mr. Smerz** reiterated that the Liberty Council supports the transfer of lands.

Senator Tippets asked whether the groups were united as to the course of action they would like to see the state take if it were to acquire the lands, specifically whether the groups advocate the sale of the lands or do they support the management of those lands by the state. **Mr. Smerz** responded that he could not give the details but that he believes **Commissioner Chmelik** may address those issues. He said that his personal opinion is in just looking at the transfer itself at this time.

Representative Burgoyne commented that the federal government would have two options. It could transfer the land to the state or to private individuals. He said this could be done for no charge or for a fee. He asked how **Mr. Smerz**, or the organizations he coordinates, feels about the state jumping to the head of the line and getting the land for free where there may be private companies and individuals who would like an opportunity to get the land. **Mr. Smerz** said that this wasn't a question specifically answered by his groups. He added that, personally, he would like to see the state take the lands and, if warranted, the second step could be taken by the state.

The next presenter was **Mr. Buster Gibson, Vice-Chairman of the Shoshone-Paiute Tribes**. **Vice-Chairman Gibson** indicated that his family comes from north of Weiser, all the way to Twin Falls, into northern Nevada and eastern Oregon. He said that he comes from a long line of leaders and that they do not have a settlement or treaty with the federal government. **Vice-Chairman Gibson** noted that in southwestern Idaho there were two treaties signed, those being the Boise Valley Treaty of 1864 and the Bruneau Valley Treaty signed in 1866, neither of which were ratified by the United States Senate. He went on to say that land title for southwestern Idaho has never been transferred to the United States and the tribes still maintain Indian title to these lands and they have never relinquished any of their rights. **Vice-Chairman Gibson** said that the lands are referred to as "unpatented lands" which the Forest Service, BLM and other agencies manage. He told the committee that his people do not want the state of Idaho to manage their land for them and they want the federal government to continue the management, to give it back to the tribes or to compensate them for it. He stated that his people cannot cooperate or collaborate with the state of Idaho on this issue without diluting their sovereignty. **Vice-**

Chairman Gibson told the committee that the Shoshone-Paiute Tribes view this attempt to transfer lands, their homelands, to the state of Idaho as a human rights issue. He said that the state has no right to take the land or to manage it, leaving the tribes with two options, to fight the state in federal court and in the nation's capital.

The next speaker was **Mr. Derek Farr**. **Mr. Farr** told the committee that he was a resident of Grangeville and represents a bipartisan group called "Stop the Swap." He said that he opposes the disposal of the cherished public lands. He added that in northern and central Idaho they don't have world-class sports stadiums, museums or theaters, but they do have world-class access to world-class public lands. He said that fact alone makes them the envy of millions of people. He said that whether it is using an off-highway vehicle or stalking an elk on the public lands, those lands define us. He said that he knows not everyone in the state shares those opinions. He said for the past several years they have heard calls for the sale and privatization of untaxed federal lands as a way to boost county revenues. He added that those proposals were met with strong opposition from Republicans, Democrats and Independents alike. He said the next attempt was characterized as "land disposal" which they have been told is a panacea for all of the state's challenges. He said that the same people that advocate for land disposal now, are the same people that advocated for privatization a few years ago. He said that from their perspective, these attempts are fueled by dislike for the federal government which they understand. They are not asking anyone to stop bashing the federal government, but simply want to protect the public lands. **Mr. Farr** said that they are not saying the Forest Service, BLM or Fish and Wildlife are perfect, but at least they will know the land under those agencies' management will remain their land insulated from the politics of two and four-year election cycles and protected from the moneyed muscle of special interests. In conclusion, **Mr. Farr** stated that they know that as long as they have public lands, somebody will want to sell them with the temptation of the panacea just being too great. He said that is why "Stop the Swap" believes that under the current management scheme, their lands are the safest and that is where they should remain.

The next speaker was **Mr. Lewis Work**. **Mr. Work** noted that he has over sixty years of experience in forestry. He told the committee that there are four timber ownership types in Idaho and also throughout most of the Pacific Northwest. Those ownership types are federal ownership, state ownership, industrial ownership and private ownership. He said that in any timberland resource there are amenities and commodities. He said that we define a forest by the trees. **Mr. Work** noted that the trees need to be managed and harvested. He said that the committee will be hearing about the costs associated with management of forests. He went on to say that the cost of not managing the forests greatly exceeds the cost of managing them. He stated that the timber industry requires a diverse source of supply and that we had a vertically-integrated forest industry in Idaho which is now gone. He added that logs are now hauled out of the state and that we do not have the mill capacity here. **Mr. Work** said that the federal land is not being managed resulting in runaway fires and insect depredation. The state, he said, loses revenue because stumpage costs go into the haul out of the state. He said small landowners lose for the same reasons. He said that he is currently working on a project by Pine where there was a fire and those landowners get a very minimal amount of money for their product. He told the committee that in years gone by, the rule of thumb relating to logging costs was that one-third of the cost would be in the haul. He said that number is now two-thirds and is lost revenue to landowners.

Senator Davis asked if he could comment on federal land management practices as it relates to invasive species. **Mr. Work** responded that he couldn't directly address that but would note that regulations of various agencies have been counterproductive and provided an anecdote relating to regulations of EPA and OSHA.

The next speaker was **Mr. Jeff Wright**. **Mr. Wright** noted that he lives in Boise County, ninety percent of which is federal land. He said that he is the author of "The Citizens Last Stand: Are YOU Ready?" which he noted includes information associated with the transfer of federal lands. **Mr. Wright** noted that his full remarks would be left with LSO for posting as written testimony. He said that he believes the law clearly supports transfer. He added that Professor Kochan's analysis and the U.S. Supreme Court decision in *Cole v. Smith*, 221 U.S. 559 (1911) should be controlling. He also recommended a book by William Hayward entitled "*How The West Was Lost.*" **Mr. Wright** said that to the opponents of transfer, the law does not matter, only that the status quo be maintained. He noted that politics, not law, will likely determine the decision. He said that this has become a conflict between tax and subsidy consumers and tax producers. He stated that he would like people to consider how the issue breaks down, for example, between Boise County and Ada County. He said we have the exact position as between Idaho and New York, with New York having seven times the representation in Congress to decide land policy that Idaho has. He said that in Boise County they cannot develop an economy because they haven't been allowed to. He noted that in Stanley there are only three more people residing there than in the 1960s. He asked how Ada County would react if sixty percent of its land was closed. He said that Ada County considers Boise County its vacation land. He went on to say that the people that live there need to be able to develop an economy to feed their families. He added that when he was growing up, there was an economy there and people had good jobs between logging and mining. He concluded by saying he very strongly requests that the committee and the legislature as a whole consider what the future economy is for generations to follow. He said that he thinks it is time that Idaho takes control of its own destiny.

Senator Stennett said that if transferred, the Department of Lands would take over ownership and would be mandated to maximize the financial return, not provide for continued recreation, etc. She asked his thoughts on how that obstacle would be overcome. **Mr. Wright** responded that could be dealt with through legislation. **Senator Stennett** asked if monies were not going to the endowments how the funding would be replaced. **Mr. Wright** responded by referencing urban counties that have a minority of federally controlled lands and said that an arrangement would have to be designed once a transfer was complete on how to develop that economy. He said the model would need to be changed in a way to support both missions. He added that this has been done in thirty-seven other states.

Senator Tippets asked for clarification as to what **Mr. Wright** was advocating for – a transfer of management or sale. **Mr. Wright** responded that there would have to be some sale of lands depending on the county where the lands are located, terrain, etc. He added that there are places where development could occur and that would help their economies but a large portion would still remain in state managed trust.

The next speaker was **Mr. Robert Neugebauer**. **Mr. Neugebauer** said that he was there to speak in favor of the transfer. He noted that he is the publisher of the Gem State Patriot newsletter which has a circulation of approximately 12,000 households. He added that they have had articles about the transfer of federal lands and that they haven't had anyone in favor of keeping the lands with the federal government. **Mr. Neugebauer** told the committee that they have heard back many times regarding the scheduling of the meetings and asked the committee to consider setting them for evenings or weekends to allow more people to attend. He asked that after the committee meets in other areas of the state that a meeting at a more convenient time be held again in Boise.

Co-chair Winder commented that the committee, in going out to the communities around Idaho, will be

determining when to schedule the meetings. He added that because the meetings go all day long, it is difficult to start a meeting in the evening but that the committee will develop a process to go to areas outside Boise. He noted that recommendations won't be due until the 2015 Legislative Session.

The next speaker was **Mr. Jack Trueblood**. **Mr. Trueblood** told the committee that he has lived in Idaho almost his entire life. He said that he uses federal public lands for recreation and volunteers on habitat projects. He stated that he opposes the transfer of federal lands to the state. He noted that with the state mandated to get the most possible fiscal return from the lands, he fears that the ultimate result would be the sale of much of the land. He added that there is nothing that restricts access like a "No Trespassing" sign. **Mr. Trueblood** went on to say that his father, **Ted Trueblood**, was an outdoor writer who lived in Nampa. He wrote for *Field & Stream* for roughly fifty years. In 1980, he wrote an article entitled "*They're Fixin' to Steal Your Land.*" The article was about the Sagebrush Rebellion movement to transfer federal land to the states and ultimately to private ownership. The article also addressed a prior attempt, by Congress in the 1940s, which also failed. Copies of the article are posted with **Mr. Trueblood's** written testimony on the LSO website. In addressing the economics of the proposal, **Mr. Trueblood** told the committee that during a recent bird season he and his hunting partners came upon a convoy of BLM vehicles in Owyhee County. He said that they were bringing in seed and equipment to rehabilitate a range fire area. He added that the next day, they returned with a helicopter to scatter seed over the burn area. **Mr. Trueblood** said that the seed was gathered or grown by contractors and stored in BLM's Boise warehouse and noted that all of this shows the expense of such an operation which is repeated on sites across the state each year. He told the committee that he can't imagine how the state would fund firefighting, let alone rehabilitation. He concluded by stating that federal agencies can care for the public land because they use federal dollars that exceed what they get for grazing and timber. He said that means somewhere back east people are paying taxes that end up in Idaho to care for public land. He said this is a good arrangement and we should keep it that way.

The next speaker was **Ms. Valerie Candelaria**. **Ms. Candelaria** told the committee that she serves as the president of the 9-12 Project of Idaho which is a nonpartisan citizen's advocacy group with over nine hundred members. She said that their goal as an organization is to bring public awareness to issues they believe are important. **Ms. Candelaria** stated that she was there to speak in favor of the transfer of federal lands to the state of Idaho. She said that this topic isn't something they knew much about until recently. She said that she was aware that nearly all of the land managed by BLM exists in the thirteen most western states in the country. She said it didn't occur to her to wonder why that was the case. She said that most of the states came into the union with roughly the same provisions. She noted that Idaho was a state that simply wasn't granted possession of its land as promised in our enabling act. She went on to say that transfer of these lands would allow Idaho to make what it believes to be the best use of resources in the state. She said that we wouldn't be required to operate under the many constraints handed down by bureaucrats thousand of miles away. **Ms. Candelaria** said that she believes it is Idaho's opportunity to free itself from the heavy hand of control that accompanies federal funding. She added that Idaho could fund many of its own programs including the management of the lands and that education could benefit. She said that, to date, we are not impressed with the management of the federal government with road closures, fires and restricted access. The state, she noted, could do a job at least as prudent as the federal government has. She said that the revenue streams available to the Forest Service and BLM could be retained by the state. In closing, she noted that this is one of the issues her group will be watching in the upcoming legislative session.

Senator Winder reminded the audience that there would be no recommendations until the 2015 Legislative Session.

The next speaker before the committee was **Mr. Chad Inman**. **Mr. Inman** told the committee that he was originally from Sandpoint and that he represents the Gem State Tea Party which is made up of seventeen organizations throughout the state. He said that he was a third generation logger from northern Idaho and, due to diminished resources, they don't log anymore. He added that the community has moved in the direction of becoming a destination resort. **Mr. Inman** commented on earlier testimony that 2,500 jobs would be lost if there was a transfer along with the testimony that 17,000 logging associated jobs would be created. He noted that those are jobs that pay \$50,000 to \$60,000 a year and result in production. He went on to say that John Locke says that production plus capital and labor provide prosperity. He noted that without access to the state's natural resources we cannot be productive. **Mr. Inman** said that we have to plan for a time when we cannot rely on federal dollars. He asked the committee to, at a minimum, control the lands within our state.

The next speaker was **Mr. Jack Stuart**. **Mr. Stuart** testified that he was appearing on his behalf only but that he does serve as a precinct committeeman in Meridian. He told the committee that he favors state ownership of federal lands in Idaho. He said that he believes the state could manage the lands better than a distant bureaucracy in Washington, D.C., particularly in the area of fire prevention. **Mr. Stuart** noted that revenue from the lands should go to the state but not be used to buy commercial property or businesses but be given to the schools or other state agencies. He said that sale of any of the lands is an issue that should be decided later by the legislature but under strict conditions regarding access and conservation. **Mr. Stuart** referred the committee to Article 1, Section 8 of the U.S. Constitution which lists all the powers the states gave the federal government. He asked whether the federal government ever paid the state for the land. He said, if not, he believes the state has the power to reclaim the land.

The next speaker was **Mr. Mike Larkin**. **Mr. Larkin** stated that he believes transfer of federal lands to the state will not result in long-term economic and ecological viability. He said that he does agree that changes need to be made to allow local communities and the state to have a say in how the lands are managed. **Mr. Larkin** noted that most of our significant environmental laws were written forty or more years ago and were put into place to manage single species or single projects. He added that we now know that we should manage for healthy and productive forests, rangelands and river systems. He said that we need to consider economic health of local communities along with the ecological health of our watersheds. **Mr. Larkin** said that we need a watershed law that encourages collaboration, rather than the court battles that our present laws encourage. He stated that there are numerous examples of successful management of common property resources in Idaho and around the United States and world. He concluded by stating that the only long-term successful management of common property resources like forests, rangelands and fisheries has been through cooperative groups, where all interested parties have a seat at the table.

Mr. Daryl Ford was the next speaker. **Mr. Ford** told the committee that he resides in Canyon County and has been part of the Save Lake Lowell committee. He said that he has seen what the U.S. Fish and Wildlife Service can do to a local area in terms of restrictions on usage. He said that he believes we can take care of the lands better than the federal government. He added that we would also have more jobs for state employees instead of federal employees. **Mr. Ford** said that he was in the Stanley area when the fires were occurring. He said that it was an unbelievable sight to see and experience. He said the air was shuddering due to the combustion. He said he asked himself why we couldn't have used some of the material that was burning down to help our schools and the state out. He added that the fires got so hot that the airplanes working the fire were told to return to their bases. He said that there were firefighter tents all over Stanley with people being paid to sit there because the fires were too hot to

fight. He added that it was very disturbing to think that everything would have to be reseeded and planted to replace all that was destroyed. He concluded by saying we need to get the federal government out of our lives and take care of it ourselves.

The next speaker was **Ms. Sheila Ford**. **Ms. Ford** stated that for many reasons that have already been stated, federal management of the public lands is a failure. She said that she believes Idahoans can do a much better job to care for the environment in our state. She reiterated observations of **Mr. Ford** regarding the Stanley fires. She spoke of the destroyed habitat and the animals that died needlessly because the forest was mismanaged.

The next speaker to address the committee was **Mr. Jeff Barney**. **Mr. Barney** said he represents the Backcountry Hunters and Anglers. He said that their membership, to a person, sees no advantage in state management of public lands. He noted that they believe there is a very real potential that these lands would be transferred to private ownership. He said that they live in Idaho to hunt and fish on the public lands and to recreate with their families. He shared a story with the committee about his seventeen-year-old niece that, last week during Thanksgiving break, went deer hunting with her dad in Orofino where she got a nice white-tailed buck. He said that this was her fifth deer in six years, all from BLM and Forest Service lands. **Mr. Barney** said that heritage and legacy are at risk of being lost if the lands are transferred to the state.

The next speaker was **Mr. Jim Nunley**. **Mr. Nunley** told the committee that he is President of the Idaho Wildlife Federation. He said that he has been to all of the committee's meetings. He said that he has heard people suggesting various numbers in terms of profits and losses but what he hasn't heard is a clearly defined procedure for a land transfer to take place. He said everyone seems to have their pros and cons they want the committee to hear, but no one has addressed the process. **Mr. Nunley** said he was very interested to hear the Native American views expressed during the last meeting and this morning. He said that it is a point of interest that they should have the first option on any land. He added that he doesn't know what would happen before a court but they would probably have to revisit a lot of the treaties. He told the committee that they would probably be faced with a court battle. He said that it reminds him of taking a trip down to the casino to make a big bet. He added that if you win, everything is great. But if you lose, there goes the taxpayer's money. **Mr. Nunley** said that many people address fire control and land management but you have to consider from a scientific point that fires are becoming more devastating, more frequent and larger due to climate change. He told the committee that the fires we are looking at now might just be the beginning and that a \$50 million fire today might be a \$200 million fire ten years from now. **Mr. Nunley** concluded by stating that the Wildlife Federation is concerned over what such a transfer would mean for wildlife and wildlife habitat, the possible loss of public access for hunters, fishermen, recreationists and sportsmen. He said the committee needs to remember that private lands are not public lands and there is a concern that the lands could be sold off.

Mr. Ken Postma was the next speaker to address the committee. **Mr. Postma** told the committee that he has a personal interest in this issue like many others that have testified. He said that he has lived in Valley County for thirty-five years and worked in the timber industry for Boise Cascade for over twenty-seven years. He said that he has been affected by federal management policies in every aspect of his life. He went on to say that he moved to Idaho from Oregon and that he has a degree in forest engineering from Oregon State. He said that when he moved to Idaho, Boise Cascade had 500 million board feet under contract. He stated that he watched and lived through the downsizing and the impact it has had on the Boise National Forest and Payette National Forest as well as the impact it has had on his family, co-workers and friends. He said that he watched as Boise Cascade reduced the amount of

timber it needed from 180 million board feet per year to 145 million board feet as the Forest Service quit selling timber. He said that they had 30 to 35 million board feet on beautiful timberlands that they could have sustained forever, 20 million board feet on state land, and 10 to 20 million board feet on private land. All they needed was 15 million board feet from each of the national forests and the Forest Service couldn't supply that amount, resulting in Boise Cascade giving up and walking off. He said that nothing was better in Valley County than during the time they had sawmills. **Mr. Postma** concluded by saying that he doesn't have an opinion on transferring the lands but believes the management needs to change on the national forests so that they can provide some jobs for local people.

Ms. Anne Hausrath was the next speaker. **Ms. Hausrath** told the committee that she feels privileged to live in Idaho. She said that her son hunts and fishes, her husband fishes and their entire family all love to hike and camp. She said that we, as Americans, are the envy of the world because we can do all of these things for free or for a very modest cost. She noted that public forests, mountains, lakes and streams are available to us for free because over a hundred years ago visionary leaders planned for the future. **Ms. Hausrath** said that public lands are a priceless legacy that we can hand down to our children and their children. She said that she does not believe the system is broken and begs the committee not to mess with it. She said, however, from what she has heard today there are some management issues that the state could work on with the Forest Service. She stated that at the present time all Americans pay for the public lands in our state. She said that her son is a seasonal forest fighter. She added that fighting fires costs lots of money and fires are becoming more frequent. She said that she doesn't want the state of Idaho to carry that financial burden. She said that she believes it is frightening but likely that if the state took over federal public lands, the costs would soon prove so outrageous that public officials would be tempted to sell them off and she is concerned over who would likely be the highest bidders. She said out-of-state interests would fence ordinary people out of the lands we know and love so much. She went on to say that there certainly is a need to work with local communities and the Forest Service to create and sustain viable communities, but the transfer of public lands is not the solution. She asked the committee to please give up this idea and keep our public lands public and federal.

The next speaker was **Mr. Mark Hill**. **Mr. Hill** told the committee that he is a member of the Ada County Fish and Game League. He said that he and his colleagues in the league are concerned about the transfer concept. He added that concerns focus on management, economics and access. He said that there is no evidence that the state can manage the lands any better than the federal government, although he noted that isn't much of a bar to pass. He said that management costs a lot of money, and requires talented people with experience. He said it isn't just a question of cutting trees; habitat would also have to be managed. He added that the economics concerns them and who it is that is going to have to pay for all of this. He asked how we would pay for fire suppression and who is going to compensate the counties. He asked who is going to maintain roads, bridges and culverts. He said his biggest concern is access. He said that whatever the outcome of this is, we need to make sure that access needs to remain available for people to be able to continue to hunt and fish. **Mr. Hill** said that in looking at HCR 22, page 7, line 18, it states very clearly that national parks will remain inviolate. However, he noted, that beginning on line 31, the resolution references a determination by the committee through a public process the extent to which public lands may be sold. He asked whether this is just another Sagebrush Rebellion. He asked if sale of the lands is going to be the way the state intends to pay for management. He went on to tell the committee that to avoid the suspicion the committee should bring before the full legislature language to assure that lands will not be sold, that they would remain in state ownership in perpetuity.

Senator Davis commented about access and he thinks that access is less today than when he was

growing up. He said the trend line is toward less access. He asked if **Mr. Hill** would address that point. **Mr. Hill** responded by conveying an anecdote about a fishing trip he took to Montana over the summer. He said that he noticed a lot of “No Trespassing” signs on private land. He went on to say that forty percent of Montana is federal land. Eighty-five percent of Idaho is made up of public lands. He said he doesn’t have the extent of a problem with “No Trespassing” signs in Idaho than in Montana. He said he hasn’t been denied access to fishing locations on BLM or Forest Service lands in Idaho.

The next speaker was **Ms. Viki Purdy**. **Ms. Purdy** told the committee that she is an Idaho native and has lived with her family in New Meadows since 2007. She said she is insulted by the notion that the state will take over and sell the public lands. She said this land is federal land, owned and controlled by the federal government and the state has very little control over anything that happens on it. She said that the federal “let it burn” policy is the management method of choice. She recounted a 1,400 acre fire in approximately 2007 on Council Mountain. **Ms. Purdy** said that five fire camps were built and efforts cost \$7 million. She said that there were locals that tried to put the fire out but they were told they could not do that. She added that it was a ridiculous waste of money and resources. She then addressed the Wesley Fire in New Meadows. She said many called it in during the early morning but no one responded until that night. She said that last summer, on a trip to the Seven Devils near Heaven’s Gate, they saw a burned out disaster. She said that the fire probably occurred twenty years ago there is still nothing there. **Ms. Purdy** stated that there is very little access compared to when she was growing up and roads are continuously being closed off. She said that environmental groups would have people believe that Idahoans are too incompetent to manage their own lands. She said that Idahoans care more about the lands than any federal bureaucrat whose policies have destroyed Idaho’s rural communities. She noted that federal fire policy is exactly like Obamacare, a dismal failure and we have accepted it for decades. She said it is destroying our wildlife, watersheds, air quality and timber stands. She concluded by stating it is time to turn management back to Idahoans.

The next speaker was **Ms. Kate Ringer**. **Ms. Ringer**, as a young person, said that some would say she is the future. She said that she loves the land we get to live on in Idaho and the activities that we get to pursue like hunting, fishing and all the things we love. She told the committee she would hate to lose that or move away because she can no longer pursue the things she wants to pursue. **Ms. Ringer** said that in a perfect world the land would be transferred to the state; it would be managed perfectly, not sold off and it would stay public. She added that we don’t live in a perfect world and she doesn’t trust them in the same way she wouldn’t trust herself if in the same position, not to give into temptation to sell to the highest bidder. She stated that they have heard both sides about how it would be profitable or how it wouldn’t be profitable. **Ms. Ringer** said that what she has heard about climate change and fires, she cannot see how it would be profitable without complete desolation of the wilderness by mining and logging, urbanization and privatization.

The next speaker was **Mr. Forrest Goodrum**. **Mr. Goodrum** told the committee that he is a retired attorney and practiced for over forty years. He said that he was present to object to the whole endeavor. He noted that there is no realistic opportunity that federal land will be ceded to the state. He said that it isn’t going to happen in Washington, D.C. and that this is not a new idea. **Mr. Goodrum** told the committee that the idea goes all the way back to at least the administration of President Herbert Hoover, back before the Great Depression. He said that at that time, Hoover and the Republican Party had super majorities in both houses and it still never happened. He added that it is not going to happen in Washington today. He went on to say that there are those that would tell them that there is a legal basis under which they might be able to compel the federal government to transfer land to the state. He said that he suggests to them that is a false hope. He told the committee that people’s hopes should not

be encouraged that they would be able to reap some sort of bonanza for the state of Idaho and its residents – a big donation as it were. He said that there is just not a good legal basis for the idea and the legal arguments to support the idea are tenuous at best. He stated that he suspects that they may just be clever marketing by some of his colleagues. **Mr. Goodrum** concluded by urging the committee to direct their valuable time and efforts in a more productive direction, such as the two big responsibilities of state government, that being education and transportation. He said that both of those areas need a lot of work and would like to see them devoting time to those areas rather than this wild goose chase.

The next speaker before the committee was **Ms. Carol Wiens**. **Ms. Wiens** told the committee that she is opposed to the transfer of federal lands to the state for many reasons. She said she will direct her testimony to three of the reasons. She said she is speaking on behalf of herself, her children and grandchildren and the great-grandchildren she does not yet have. **Ms. Wiens** said that federal lands belong to every citizen of this country and they should not be administered by any state. She went on to say that the state of Idaho does not appear to have the funds to administer the federal lands. In expanding on this point, she noted that our schools are ranked 48th in the nation – perhaps 49th – and we should be focused on improving education for our children rather than wasting time and money on this effort. She said that our school budgets are shamefully inadequate. **Ms. Wiens** noted that public lands are something that has made the United States of America special. She added that we forget how lucky we are because of our federal lands where we can camp, hike, ski, hunt and fish. She added that the idea that it could be privatized is very frightening. She said that when she lived in Kentucky, she searched everywhere for places to hike, fish and picnic and found that most lands were privately owned. She also noted what she has seen in Texas in terms of the lack of recreational BLM land and only minimal national forest land. She said there are instead endless miles of fences with “No Trespassing” signs and locked gates on private land. She concluded by stating that Idaho has a long tradition as a state with prime hunting and fishing and the habitats that make those activities possible are largely on federal land. She stated that hunters, fishermen, hikers and bikers should all strongly oppose the transference of federal lands to the state because they will inevitably end up in private ownership. She told the committee that no Idahoan wants to encounter those “No Trespassing” signs and locked gates on their public land.

Ms. Angela Rossman was the next speaker to address the committee. **Ms. Rossman** told the committee that she has lived in Idaho most of her life. She said that for the sake of brevity she was bringing ten different written testimonies from individuals that range from fly fishermen to bankers. She noted that they all oppose the idea of transferring federal lands to the state for various reasons which the committee has heard over the course of the last three meetings. She asked the committee to consider having public meetings throughout the state to afford people the opportunity to appear before the committee.

The final public testimony of the morning was provided by **Ms. Sophie Owen**. **Ms. Owen** told the committee that she was from Timberline High School in Boise. She began with a quote from the late Senator Frank Church who said “(t)he great purpose is to set aside a reasonable part of the vanishing wilderness, to make certain that generations of Americans yet unborn will know what it is to experience life on undeveloped, unoccupied land in the same form and character as the Creator fashioned it . . . It is a great spiritual experience. I never knew a man who took a bedroll onto an Idaho mountainside and slept there under a star-studded summer sky who felt self-important that next morning. Unless we preserve some opportunity for future generations to have the same experience, we shall have dishonored our trust.” **Ms. Owen** said to the committee that when they are out in the wilderness she is almost certain that they feel like they were sixteen again and that they can take their family members

and truly enjoy life outside of a stressful environment like a city. She said that she would love to have the public lands preserved and is concerned that, if transferred to the state, sooner or later future generations will not have public lands. **Ms. Owen** told the committee that her father, as a firefighter, worked in the Atlanta fire and not all fires are bad. She concluded with a quote from the late President Lyndon B. Johnson who said “(i)f the future generations are to remember us with gratitude rather than contempt, we must leave them with more than just the miracles of technology. We must leave them a glimpse of the world as it was in the beginning, not just after we were through with it.”

The committee recessed for a short break.

The next speaker to address the committee was **Idaho County Commissioner Jim Chmelik**.

Commissioner Chmelik told the committee that one of the things he has not advocated is the sale of the land. He wants to see transfer of the lands for the benefit of Idahoans and the rest of the country because he thinks they can do a better job.

In providing an example relating to access issues on the east coast, **Commissioner Chmelik** said that the previous day was opening day of deer season in Pennsylvania and over 250,000 people went deer hunting on opening day and he doesn't think they had an access issues. He said that he lived on the east coast for years and he did not have any problem with access to lands.

Commissioner Chmelik noted that some groups have said that there is no correlation between logging and jobs. He presented the committee with a slide presentation of the mills in their area. He said that at the Idaho Forest Group in Grangeville and Lewiston, they employ 360 employees. He went on to say that Blue North Forest Products in Kamiah employ 60 people, Empire Lumber Co. in Kamiah employees 142 people, Clearwater Forest Industries in Tamarack employees 128 employees and Clear Water Paper Products in Lewiston employees 750 employees. He said that these are all direct, mill-related jobs only, and don't include others such as sawyers, truckers, etc. He noted that this represents a total of 1,440 jobs with an annual average wage for logging, per census information, of \$34,650, pulp and paper average wage of \$50,010, and an average annual salary for Clearwater Paper Products of \$70,000. If you take those numbers times the number of workers, he told the committee it represents an annual income of \$50 million which does not even account for overtime and benefits packages. **Commissioner Chmelik** stated there is also a tremendous multiplier in the economy of between 3 and 5. He said that these workers pay taxes, social security, etc. He added that the workers buy houses and pay property taxes and buy other items because they have disposable income to do so. He went on to say that without these kinds of jobs, areas like his do not have a recreational community. **Commissioner Chmelik** stated that these people also make commitments to their local communities in override levies, such as last year in Idaho County where there were \$3.1 million in override levies to fund their schools which could have been put back into the economy. **Commissioner Chmelik** said that if they could produce on the lands, the numbers would be phenomenal. He added that it is an absolute fallacy that logging does not create jobs.

Commissioner Chmelik showed the committee a slide depicting the devastation of the Sheep Creek Fire. He said that in 2012, 1.7 million acres burned in the state of Idaho. He noted that 246,000 of those acres burned in Idaho County. He stated that he went and spoke to the Idaho Department of Lands and asked them what the typical inventory on the forest in the Idaho County area was and learned that it is between 15,000 and 25,000 board feet. He said that he then asked the forest supervisor for the historical average harvest in that area and was told it was 10,000 board feet per acre. He went on to say that, assuming only 5,000 board feet burned in the fires, at 246,000 acres, with ninety percent being

timbered, 1.23 billion board feet of timber burned in Idaho County alone. He noted that if you use just \$300 per thousand that comes out to \$369 million that burned up.

Commissioner Chmelik said he also asked the forest supervisor that if they assume only three dead vertebrates per acre, large animals like bear, elk, moose, deer, wolves and coyotes, how many animals would that account for. He was told it would account for 750,000 dead animals. He added that he was told the numbers were actually higher than that.

Commissioner Chmelik said he also used the Forest Service numbers to determine damage to air quality. He said that 12.8 million ton of greenhouse gases were released into the atmosphere in Idaho County alone. He said that when the Forest Service tries to do a logging project they get sued by the environmental community. He added that there are good people in the Forest Service and BLM that would just like to do their jobs.

Commissioner Chmelik told the committee they used to get what was known as the twenty-five percent fund off the value of the resource. He said the resource that burned would have represented over \$92 million to Idaho County to fund schools, county government and provide for roads. He added that they may have to close some roads due to funding shortages and another reduction of five percent in SRS funding. **Commissioner Chmelik** said that if you only use a three as a multiplier effect for the resource that was lost, it would have resulted in \$1 billion in economic activity for his region.

He told the committee that people have to realize that Idaho is a natural resource community. He said the resources need to be utilized, conserved and preserved and that we need to be the ones to do it.

Commissioner Chmelik concluded by showing the committee a map showing how 39 other states have control of most of their lands compared to the west with its vast amounts of federal land and that those states shouldn't be the ones to tell Idaho and the rest of the western states how to use lands located in their states. He said that we have to demand our lands back and, if it has been done before, why can't it be done again.

Senator Stennett asked what **Commissioner Chmelik** would advocate for if the state took over management in regard to wilderness area. **Commissioner Chmelik** responded that the land designated as wilderness area in the 1960s would remain, as well as all national parks and monuments and land owned by Indian reservations.

Senator Stennett commented that her area of the state was devastated by fires as well and wouldn't exist today if it wasn't for the help that came in from the federal government and the Forest Service. She asked what the commissioner's thoughts were on how law enforcement would be handled if the state took over management as well as fire suppression. **Commissioner Chmelik** said that he would assume we would have to take over those responsibilities but that if the land is managed better he doesn't think the fires would be as bad as they are today. He also commented that in terms of federal employees losing their jobs, they could be employed at the state level for land management. He also stated that New Zealand faced similar problems in the early 2000s and they eliminated their forest management at the country level. He said they regulated how the timber would have to be managed and put it out to bid for private companies. **Senator Stennett** asked how we could manage fiscally, particularly in the transition time. **Commissioner Chmelik** said that he believes we can and that we need to develop a transition plan.

The next presenter before the committee was **Valley County Commissioner Gordon Cruickshank**.

Commissioner Cruickshank thanked the committee for giving him an opportunity to discuss the Community Forest Trust solution for managing our public lands. He said that they began looking at this concept prior to the creation of the committee.

Commissioner Cruickshank noted that in the early 1900s national forests replaced the forest reserves. He said that Gifford Pinchot, the first Chief of the Forest Service, asserted that counties would not suffer from the loss of property taxes when the national forests were created. Counties would receive a portion of the receipts generated by timber, grazing and other uses, generally amounting to twenty-five percent of the receipts. He said that the timber receipts were to be returned to counties for funding roads and schools. He noted that Pinchot stated "(t)hus a county which is covered by a National Forest is better off than one which is not." **Commissioner Cruickshank** went on to say that today, counties with public timberlands are penalized by lack of utilization of this valuable commodity.

Commissioner Cruickshank noted that in 2000, Congress passed the Secure Rural Schools and Community Self-Determination Act (SRS). He said that this legislation was to provide a safety net for the counties until the Forest Service returned to harvesting timber, but to date this has not happened. **Commissioner Cruickshank** told the committee that funding of the SRS program has been reauthorized for the past thirteen years. He added that the SRS is being reduced each year, with the possibility of funding being completely eliminated. He stated that Valley County used to receive 3.5 million annually and today receives less than half that amount. **Commissioner Cruickshank** asked the committee how a county is supposed to prepare a budget when the SRS funding and timber receipts are unreliable.

Commissioner Cruickshank stated that unemployment in Idaho counties with large public land tracts is higher than ever before and that seasonal wages do not sustain a community. He told the committee that he is one of four county commissioners that say it is time to manage public lands here in Idaho. He said that to provide this management strategy, they crafted the Community Forest Trust (CFT) Pilot project. He said that this is to demonstrate Idaho can harvest timber responsibly and efficiently, providing a reliable income stream to rural Idaho counties. He added that this is the first step to returning to a sustainable economy.

Commissioner Cruickshank told the committee that the CFT partners with the Idaho Department of Lands to manage the program. He said that 200,000 acres of the national forest is targeted to help offset/supplement the SRS funding. He said that they are not asking that the land be managed as endowment land. The money is to be sent directly back to the counties for roads and schools. The Idaho Land Board approved the CFT and authorized the Department of Lands to work on management options. **Commissioner Cruickshank** said that, as an example, when Boise Cascade managed timberlands in Valley and Adams Counties, a sustainable harvest of 30 million board feet was realized each year on 194,000 acres. That acreage grew 50 million board feet every year. He stated that in today's dollars, such a harvest would net approximately \$3 million. **Commissioner Cruickshank** went on to say that there are approximately 20 million acres of public timberlands in Idaho. The CFT projects that properly managed, with time to reestablish the industry and the forest stands, the utilization of 2-2.5 million acres will offset SRS funding received by Idaho just last year. **Commissioner Cruickshank** clarified for the committee that the CFT does not ask for Wilderness areas, which he commented used to be known as the primitive area, Wild and Scenic River corridors or Roadless areas to be included. He said that the CFT is not asking for Idaho to take on the responsibility of combating wildfire on public lands. He said that federal agencies have allowed the public lands to reach the condition we see today and they believe they need to continue to manage the problem.

Commissioner Cruickshank told the committee that **Congressman Raul Labrador** has utilized the CFT concept to introduce local state management to the House of Representatives for the past two years and now the concept is in Congressman Hastings' (R-Wash) HR 1526 bill that has passed the House and is now headed to the Senate. He said that rural communities, Idaho counties, the National Association of Counties and the timber industry all support the CFT. **Commissioner Cruickshank** stated that the CFT concept focuses on local control with a land board made up of county commissioners. He added that the Department of Lands has a proven track record for responsible management, showing that they have made money for Idaho education. He stated that they have designed the concept so the 200,000 acres could be spread out throughout Idaho to use management facilities that the state already has. He said the concept supports roads and schools, provides for jobs and helps sustain the habitat for clean air, clean water, fish and wildlife. **Commissioner Cruickshank** concluded by asking the committee whether we are better off today than when we had a timber industry providing communities with a sustainable economy. He added that he thinks the answer is clear and that we are definitely not better off today.

Senator Nuxoll said that in 1996, J.D. Williams, Idaho State Controller, said the concept for a transfer of lands is itself sound and has great potential for our citizens. She said that his concern was in regard to federal regulations. She noted that he ended up recommending a pilot program where the state would take over all the responsibilities associated with the land. **Senator Nuxoll** said she likes the community forest trust concept but asked for **Commissioner Cruickshank's** thoughts about a pilot project.

Commissioner Cruickshank said that he has not read the report but has heard of other attempts in prior years that were not followed through with. He said that he would like to read the report. He said their idea is that they can manage the land and do it responsibly.

Representative Burgoyne asked **Commissioner Chmelik** if the lands are transferred to the state and don't go into the private sector, how local communities profit. He went on to ask if the commissioner envisions the lands going into the endowments or being held by the state in some other fashion.

Commissioner Chmelik responded that he believes they would have to have a different mechanism other than the endowments. He went on to say that he thinks the lands should be benefiting the areas they are in. He said all the counties in the state used to fund themselves before SRS and PILT.

Representative Burgoyne then asked what his vision was for the mechanism. **Commissioner Chmelik** responded that we had a model that worked before, that being the twenty-five percent model.

Commissioner Cruickshank added that the community forest trust proposal allows the Department of Lands to deduct expenses for managing the lands off the top. The state is paid back by the sale of timber and the rest goes to the counties in a manner similar to the SRS formula. **Representative Burgoyne** said that he has been highly critical of the state's management of the endowments. He said that if the state is making \$40 to \$50 million a year on the two million acres, that equates to about twenty to twenty-five dollars per acre. He added that last year we only made \$37 million. He said he is troubled by what he sees as a serious underperformance by the department. **Commissioner Cruickshank** recounted his reference to Valley County getting \$3.5 million in prior years and noted that they had high and low years and one just has to manage the budget. He said in the long run they would have something that would be better than what they had in the past.

The next speaker before the committee was **Blaine County Commissioner Lawrence Schoen**.

Commissioner Schoen told the committee that he has a great working relationship with **Commissioners Chmelik and Cruickshank**. He noted that he submitted written comments that will be posted on LSO's website. **Commissioner Schoen** stated that he is very opposed to the transfer of public lands. He said he sees the proposal as being completely unworkable. He added that such an action would irreparably harm local communities like his and others in Idaho economically, environmentally and culturally. He

stated that nothing he is going to say will contradict the goals expressed by the other commissioners and that there is no reason we can't have resource utilization. **Commissioner Schoen** said that what we need to do is change our working relationship with those that manage the federal lands, many of whom are Idahoans. **Commissioner Schoen** it would harm irreversibly the heritage of these lands and what they represent to us as Idahoans and to all Americans, not least Native Americans whose trust has been violated enough in our shared history. He said that such an action would leave Idaho with inadequate resources, human and financial, to manage these vast natural resources, including wildland firefighting. He added that it would disrupt current federal payments to counties, with no foreseeable, reliable way to make up for the loss of revenue to Idaho local government. **Commissioner Schoen** went on to say that it would disrupt local economies, their environment and culture, including the broad right of public access, subject the lands to piecemeal commercial development by lease or sale, exempt from the public process of local land use authority, including comprehensive planning, zoning and subdivision law and procedure and subject the lands to wholesale privatization with all the above consequences. **Commissioner Schoen** stated that Idaho is not prepared, equipped or capable legally or financially to assume management of public lands. He said that federal lands today are managed for multiple use. Some of these uses do generate revenues to help pay for government administration. He added that in most of these cases, the federal government is criticized not for generating too much revenue, but rather for not generating enough to pay for proper management and long-term stewardship. Other uses on Federal lands do not generate any revenue, but that does not diminish their importance to Idahoans.

Commissioner Schoen told the committee that state endowment lands are managed just to generate revenues in support of the state's public schools system. He said that up until now, the proposal is that transferred lands would be managed as endowment lands. He stated that our educational system is underfunded and the Department of Lands' meager income from activities on endowment lands provides for minimal regional staffing and not enough other resources essential even for basic monitoring and stewardship. He went on to say that the fundamental issue posed by the transfer proposal for the committee to consider is where adequate revenues will come from to carry on all its administrative and management activities, fund Idaho schools and replace the federal lands payments.

Commissioner Schoen commented on PILT and SRS and noted that in FY 2013, forty-four Idaho counties with 32,597,631 acres of public land, received a total of \$26,326,163 PILT and \$28,889,790 through SRS. He added that if the state takes over federal lands, it has no means to replace those funds paid to counties by the nation. He added that he acknowledges it is excruciating every year to go through the budget process wondering if they will get PILT and SRS monies. He reiterated that we need to work on our relationship with the federal government in terms of their management.

Commissioner Schoen stated that one of the stated goals of this movement to transfer public lands to states is to revitalize local resource utilization industries, especially forest products, mining and grazing. He said that many, if not most Idaho counties do not have large or any stands of commercially harvestable timber. He asked whether the sponsors propose that the timber counties will share their income with the rest of Idaho. He stated that mining generates enormous land use impacts and asked whether the state would invest in managing these impacts and yield authority to local governments to ensure mines and mine waste are properly managed, so that water, air, roads and residential areas are protected. **Commissioner Schoen** told the committee that some Idaho counties have rangeland resources. He asked whether the sponsors propose that the rangeland counties will share their income with the rest of Idaho. He also asked how the state will manage its vast new rangeland areas to benefit grazers while also protecting the resource. **Commissioner Schoen** asked how the state will generate the income to be able to succeed at the enormous, costly and generally non-income producing task of

conserving habitat for all wildlife, game and non-game. He said that these are tremendously valuable resources about which Idahoans care very deeply.

Commissioner Schoen noted that many Idaho counties have a significant recreation component to their local economies. He said that tourism and recreation are dominant industries in Blaine County, worth an estimated twenty-five percent of local employment and more than \$150 million just in visitor spending. He stated that Blaine County is an economic driver for the entire Magic Valley region, if not southern Idaho, providing jobs and quality of life opportunities that serve as enticements to many corporate recruits. **Commissioner Schoen** went on to say that most of this recreation takes place on huge tracts of public lands, including areas adjacent to, near or accessible from Ketchum and Sun Valley. He said that the federal agencies pay for trail maintenance and water access points. He added that they coordinate with local agencies like counties, recreation districts and users--the people, biking clubs, hiking clubs, riding clubs, ORV clubs, fishermen and hunters--to create the best possible recreation experiences on public lands, in the context of other uses occurring on them. He asked where the state will find the revenue to continue these trail and access design, building and maintenance activities, in order to perpetuate Idaho's thriving and growing tourism and recreation industries.

Commissioner Schoen continued by saying that public access is of real concern. He said he thinks we have to come together to investigate what the expectations are for access and how it is managed. He added that Idaho, without access to public lands, is like New York without the Statue of Liberty or Broadway, Paris without the Eiffel Tower or her cafes, Egypt without the souk or her great pyramids. He stated that vast, open public lands and access to them is the essence of Idaho and the West. It is one of our most precious rights, one of our most precious and apparently fragile possessions. He said that he believes that those who support this public lands transfer proposal are threatening to take this right, this gem of the Gem State away from Idaho citizens, the public and the world. **Commissioner Schoen** said that statewide, according to the national Outdoor Industry Association, the value to Idaho's economy of outdoor tourism and recreation is \$6.3 billion, generating 77,000 jobs, \$1.8 billion in wages and \$461 million in state and local tax revenues. He said that a public lands transfer threatens to disrupt and damage Idaho's outdoor recreation economy and our right of public access.

Commissioner Schoen told the committee that the most obvious of all questions to come before it is where the state will derive the resources to manage wildfire on public lands. He said that the Forest Service's cost to fight just the Beaver Creek Fire in Blaine County exceeded \$26 million. He added that to assert or assume that the federal government would or should retain responsibility for wildland fire preparedness and suppression even after it no longer owns the land is wishful thinking.

Commissioner Schoen commented on how the state charges more for grazing than the federal government. He asked whether the committee thinks that ranchers would be open to increased grazing fees.

Commissioner Schoen stated that the Department of Lands has little history or expertise managing for multiple use because that is not its mandate and asked how the state intended to resolve conflicts between users. **Commissioner Schoen** showed the committee some photos depicting uses on state lands in Blaine County. He showed a photo of a shooting range that has been allowed to exist for years where the state earns nothing from the activity. He added that no one is responsible for the range and that it is full of trash. He said there are no rules or guidelines for its safety. He said they have no authority over it as a county. He showed another photo of a composting operation and a gravel and minerals pit, both on state land. He said the state did not go to the county to consult with them

regarding land use and zoning prior to permitting these activities. **Commissioner Schoen** stated that because of the state's inability to manage the lands and pay for the responsibilities associated with the lands the only foreseeable outcome is privatization. He said he believes that is the ulterior motive of many of the supporters of the proposal. **Commissioner Schoen** said that there are good models for improving the working relationship with the federal managers. He pointed to the Owyhee Initiative, Clearwater Collaborative, the way in which they worked on the Roadless Rule and the Blackfoot Challenge in Montana. He said the Community Forests Trust concept sounds promising and could be successful if it is conditioned appropriately. He said that effective public lands management requires all stakeholders to have good communication, including personal presence and listening to other points of view, collaboration, transparency, accountability, practicality, scientific research, responsiveness, respect, openness to new ideas and being mindful of one another. He added that we need to come to terms with differences in values and meet face-to-face across the table from one another.

The next speaker before the committee was **Mr. Jack Lyman, Executive Vice-President, Idaho Mining Association**. **Mr. Lyman** told the committee that his members are large mining companies. He said that a lot of what he intends to present would be applicable to small miners as well. **Mr. Lyman** stated that in the more than thirty-five years that he has been engaged in natural resource issues, this is at least the third time the issue of transfer of public lands has arisen. He said that the previous exercises have been useful in highlighting the problems the citizens and state officials have with their federal overseer. Some efforts have resulted in changes to state and federal policies that have resulted in marginal improvements on the ground. He said he encouraged the committee to continue its efforts and that even if, ultimately, they don't see a transfer, there may be meaningful opportunities to make a difference in how federal lands are managed in Idaho.

Mr. Lyman said that he congratulates the committee on the approach they have taken concerning the sale of any lands that may be acquired. He added that HCR 22 makes it clear that ninety-five percent of any proceeds from such sale would be returned to Washington, D.C. and the remaining five percent would be placed in the state endowment fund. He said he is surprised that critics of the proposal have raised concerns about massive land sales, given this information. He said that he thinks the prospect of such sales is virtually nonexistent.

Mr. Lyman said that he was asked to identify issues and concerns the mining industry might have with this effort. He said that although there are several areas of concern, he is confident that they are not insurmountable. He said that well-intentioned people, working together will be able to find solutions to each of these issues. He told the committee that if efforts makes sufficient progress over the next year they will be prepared to come forward with more specific solutions to each of the potential issues.

Mr. Lyman said that the BLM has broad authority to administer the development of minerals for the federal government, regardless of land ownership. He said that according to the Idaho Department of Lands, the BLM has jurisdiction over 35.8 million acres of land in Idaho including 2.3 million acres of split estate where the federal government owns the subsurface minerals and someone else owns the surface. **Mr. Lyman** stated that the BLM classifies federal minerals into three broad categories: salable, leasable and locatable. He said that salable minerals are widespread, of low unit value, and are often used for construction or landscaping materials, things like sand, stone, gravel, and common clay. He said that their value depends largely on market factors, the quality of the material, the availability of transportation, and transportation costs. Salable minerals are managed under the Materials Act of 1947 and BLM regulations and are disposed of through contracts of sale or free use-

permits. **Mr. Lyman** told the committee that leasable minerals are managed under the Mineral Leasing Act of 1920, other leasing acts and BLM regulations. Leasable minerals include energy-related mineral resources such as oil, natural gas, coal and geothermal as well as some non-energy minerals like phosphate, sodium, potassium and sulfur. He said the most important leasable mineral in Idaho is phosphate. **Mr. Lyman** went on to state that locatable minerals are minerals that are not leasable or salable and are managed under the federal mining law and BLM regulations. Locatable minerals include metals such as gold, silver, molybdenum, copper, lead and zinc, all of which occur in Idaho. He said other locatable minerals include barite, gemstones, gypsum, and certain varieties of high calcium limestone.

Mr. Lyman noted that the Department of Lands estimates that about 16.4 million acres of federal land would be eligible for transfer under HCR 22. He added that in the event the state were to obtain title to those lands, we would expect the minerals on those lands to be disposed of under a system very similar to that in use today on state lands. **Mr. Lyman** said that all minerals on state lands are disposed of through competitive leases. The Idaho Department of Lands Mineral Leasing Program manages almost 200 leases across the state covering more than 40,000 acres. He said that minerals currently being extracted from state endowment trust lands include phosphate, sand and gravel, decorative stone, garnets, clay and cinders.

Mr. Lyman said that state mineral leases are issued for a maximum term of ten years with the right of renewal if the lease is being developed or is in production. The maximum lease size is 640 acres and rent is paid annually with the amount based on the acreage under lease. He added that a royalty is paid on all minerals mined and removed from the lease. Royalty rates vary by commodity: for oil and gas the rate is 12.5 percent, for precious and base metals five percent, for phosphate five percent and for sand and gravel and industrial minerals five to ten percent depending on local market conditions and use. **Mr. Lyman** told the committee that rental payment can generally be used as a credit against a production royalty during a lease year. In 2011, the department received just over \$100,000 in rents and \$3.5 million in royalties from mineral lands. He said the federal leasing program that same year generated \$9.3 million in mineral royalties plus another \$46,000 in oil, gas and geothermal royalties. He noted that the vast majority of state and federal royalties are derived from the mining of phosphate. **Mr. Lyman** said that if the state were to acquire ownership of federal lands he doesn't anticipate significant problems dealing with salable minerals and would expect existing contracts to be honored after the transfer. He said new development of salable minerals would be done under leases which would be executed under rules similar or identical to existing state leasing rules.

Mr. Lyman said that he also doesn't anticipate significant problems dealing with leasable minerals. He said that he would anticipate the state would honor existing federal leases until their renewal date or expiration. The resources would then be available to the operator under a state lease that would be either identical or very similar to the existing state leasing program. He stated that he would expect royalty rates to remain at the federal rate until the lease expires. He said whether or not royalty rates should change to the state rate at lease renewal is an issue we will need to discuss at the appropriate time. **Mr. Lyman** told the committee that locatable minerals present a potential sticky wicket. He said that the reason is the federal system for discovering, owning and developing these minerals is significantly different from the state system. He added that the federal system is so different, and the state constitutional requirements are so restrictive, that it will not be possible to replicate the federal system at the state level.

Mr. Lyman went on to explain that the federal mining law allows individuals and companies to acquire the right to minerals through the process of discovery. He said that anyone can enter federal lands that are open for mineral entry and stake a mining claim if they discover a mineral. That claim, known as an unpatented mining claim, gives the person a well-recognized property right. Subject to the provisions of the law and federal regulations, the claimant can retain that property right for years without actually developing the mineral. He went on to say that all federal public lands are open for mineral entry unless they have been specifically withdrawn. Withdrawn lands include national parks, national monuments, wilderness areas, Indian reservations, military reservations, scientific testing areas, Bureau of Reclamation projects, wildlife refuges and other similar federal lands in the state. He said that most of these lands would not be involved in a transfer of ownership.

Mr. Lyman told the committee that according to BLM there are almost 22,000 unpatented mining claims on federal lands in Idaho. Those claims are predominantly on the lands that are eligible for transfer or on the 8.5 million acres of roadless lands that the department indicates would not be transferred. He said that claims are generally twenty acres in size so that means about 435,000 acres of land are covered by unpatented mining claims, representing less than two percent of the lands that would be transferred. **Mr. Lyman** said that one of the real incentives for people to explore for minerals on federal lands is they obtain an exclusive right to what they find. He said the minerals they seek are difficult to find and are very easy to miss and added that any mineral rights system that doesn't provide exclusive ownership to mineral discoveries can only decrease the amount of exploration that occurs. He stated that less exploration will necessarily result in less mineral development over time. **Mr. Lyman** stated that under the current state mineral system, individuals and companies can explore on state lands but do not obtain any enhanced rights to what they discover. He added that the right to explore is granted by a license and licensees are not given exclusive rights to what they discover and they do not get preferential lease rights. He said that Article IX of the Idaho Constitution requires that all leases must be made available for public auction. He said that under that system you can look for gold and you can find gold, but if you do you then have to compete with others for a lease to develop the gold you found. **Mr. Lyman** went on to say that if the state acquires title to federal lands they would expect it to recognize the valid existing rights associated with unpatented mining claims. He said the minerals produced wouldn't pay a royalty but would still be subject to the state's mine license tax and companies and the people they employ would pay income taxes. He said that their economic studies indicate that each individual miner employed by his members in 2011 added about \$330,000 in additional gross state product, created another 1.83 jobs and generated a total of \$33,000 of additional local and state tax revenue.

Mr. Lyman said that the more difficult task for them would be to figure out how to encourage mineral exploration and development on the ninety-eight percent of the land the state would acquire that isn't covered by mining claims. He said the current system will need to be examined, and perhaps altered, to meet everyone's needs and expectations. **Mr. Lyman** concluded by stating that the Department of Lands has indicated concerns with the thousands of abandoned mines on the lands eligible for transfer. He said the sites are truly "orphan" sites with no identifiable responsible party we can look to for the cleanup. He said that they share the department's concerns and recommend federal liability for these sites be clearly established before any transfer of ownership.

Senator Nuxoll commented about questions associated with how the federal government generates revenue to pay off its \$17 trillion debt. She commented on the country of Ecuador having to pay off its debt to China by giving its public lands to China. She asked **Commissioner Chmelik** if he is concerned about that. He responded that the federal government, as owners of the land, at any time can start

selling it. He said that because of that we have to seriously consider that issue. He went on to say that we need to make our congressional delegation aware that is not something that we would support. He said that he wouldn't want to propose selling the public lands. **Commissioner Cruickshank** responded that the west has the public lands and the east is making decisions regarding those lands. He said that if the federal government sold lands to satisfy debt, it is likely those lands would be in the west.

The committee recessed for lunch.

Following the lunch recess, the afternoon of public testimony began. The first presenter was **Mr. Del Kohtz**. **Mr. Kohtz** told the committee that Idaho is a second-class state because all of the states east of the Mississippi own all of the land in their states and have made most of the land private. These lands are an engine of prosperity. He added that some of the states west of the Mississippi have achieved ownership of their lands. **Mr. Kohtz** went on to say that the BLM was originally created to dispose of the federal lands the citizens wanted to turn into private lands. He said that there are millions of acres not being used in our state that are not scenic and are infrastructure accessible. He commented on the mismanagement of the lands by the federal government. He added that the non-scenic lands should be either disposed of as private lands or the state should decide on an ongoing basis what the disposition of these lands should be. He noted that local control has always benefited the citizenry. He stated that the lands are earning very little for the school endowments and that the state's insufficient budget has caused problems for our schools, roads and infrastructure. He told the committee that the BLM is currently trying to buy some scenic lands close to the Snake River for scenic set aside. He added that in Jerome County there are about 100,000 acres of federal land within ten miles of an interstate highway and there is a railroad running through them. He said the lands have the opportunity of being a taxpaying asset and job-producing asset. He concluded by saying that he is confident there will be better hunting and fishing on the lands if Idaho has a say in land management.

The next speaker was **Mr. Duane Marler**. **Mr. Marler** commented on the need to have public hearings in other locations and a website available. He also said that Congress has authority over public lands and wonders why the state is making a demand to turn over the lands to the state of Idaho. **Mr. Marler** said that he has hunted and fished in Idaho all of his life. He went on to say that he is concerned about access if the state takes over federal lands. He said that it appears to him that the state would have two choices to fund the turnover, raising taxes or selling off the land. He said private owners and developers could block off public access to the property. He added that he doesn't want to go out hunting and encounter "no trespassing" signs. In closing, he said he didn't know how many of the members ever met **Ted Trueblood**, an outdoor writer who was well respected in the state of Idaho for many years. He said that he worked with Ted on a number of different matters and commented on his article about stealing the public's lands. He said he feels that way about this effort and he thinks it is a bad idea.

Co-chair Winder commented that the committee intends to go out to other areas in the state and hold public hearings. There won't be a report back to the Legislature until the 2015 session.

The next speaker before the committee was **Mr. Norm Nelson**. **Mr. Nelson** told the committee that he is the son of **Morley Nelson** who used the partnerships of the federal government and private groups to establish the Morley Nelson Snake River Birds of Prey National Conservation Area. He said that the area would not be affected by any transfer. He said it is, however, a reflection of the quality of our public land at the present time. He added that fifty-two percent of the Snake River Birds of Prey area has been burned and does not provide any Sage Grouse habitat. He said their Golden Eagle populations have changed dramatically because of this and they think they have moved from that habitat. He noted the

costs associated with fighting fires in Idaho over the last year. He stated that the grazing interests in the Jarbridge and Birds of Prey area have to wait three years before they can come back to that land and make it productive. He said that meanwhile, sheet grass and other invasive plants reduce the grazing possibilities of that land into the future. He said that he doesn't think we want to stick Idaho with that bill. He noted that the wildlife management that we would have to challenge our Department of Fish and Game with due to natural changes that he has spoken to would be extremely difficult. **Mr. Nelson** said that the Great Basin Restoration Initiative project started by the BLM was not fully funded but they are still doing research and trying to come up with solutions to the sheet grass and invasive plant issues to maintain their grazing allotments and to allow for the management of wildlife. He commented on the Sage Grouse issue and expense related to that if the birds and their habitat are not cared for. He said that he doesn't want the state to have to take on the expense associated with management of federal lands. He said he would hate to lose the federal and private partnerships that have been successful in managing public lands in Idaho.

The next speaker before the committee was **Mr. Burk Mantel**. **Mr. Mantel** stated that he has followed this issue ever since the time of the Sage Brush Rebellion in the 1980s. He said that it seems to him that the best thing that has happened associated with this issue over the last twenty to thirty years has been the Clearwater Basin Collaborative. He said that they all agree that the national forests could be managed better but he thinks approaching it as the collaborative has is the best alternative. He also noted that he would like a state website to explain the issues. He added that the questions that come up right away are how we intend to pay for firefighting, as an example. He said firefighting is impossible to budget for. He said that fires are anywhere from \$25 million to \$175 million per year. He asked whether they intended to raise taxes. He said if the state becomes responsible for fighting fires there would be hundreds of millions of dollars worth of equipment that the Forest Service uses to fight fires efficiently and effectively. **Mr. Mantel** recommended that the committee tour the National Interagency Fire Center located in Boise to have a better idea as to the requirements for equipment. He said that speaking as a hunter, fisherman and recreationist, he understands that state lands in Idaho are managed for maximum profit. He added that when you walk those lands you can tell after timber is cut that it was probably cut by the lowest bidding contractor because the areas are trashed. He stated that his family has land that they log and they pick loggers that do a much better job than the jobs he has observed on state land. He added that one of the problems is that they don't close the roads when they are done and people are now taking their ATVs and four wheel drives to such areas, trying to find mud holes to tear around in. He said there is no way to prevent that type of activity without putting up some type of gates and providing for enforcement. He stated that the Forest Service budget was \$158 million last year. He said that if that were to go away, even the most optimistic revenue projections, if the state were to start harvesting timber, would be around \$100 million. He said that from a business point of view, this looks like it would be a catastrophe for the state of Idaho. He said that his recommendation is to encourage more collaborative efforts, similar to what is being done in the Clearwater area.

The next speaker was **Mr. Warren Grover**. **Mr. Grover** said that he is one of the leaders of the twenty-three conservative organizations in the state and is head of Idaho Act for America. He said he was there to speak on his own behalf. He told the committee that he spent twenty-seven years working for the federal government as an officer in the United States Air Force. He went on to say that he doesn't like what is happening to the country at the federal level in terms of debt, overspending, the Constitution not being followed, attempts to take over education and health care, etc. He said that in 2012, the Cato Institute put out a report that said nearly everyone agrees that federal lands are badly managed. Agencies in charge spend nearly \$5 billion more administering resources that should produce huge profits than the use of those resources returned to taxpayers. He went on to say that the environmental

condition of the lands is poor, forests are dying and grasslands are overgrazed and parks are in ecological crisis. **Mr. Grover** said the report also said that states probably couldn't do any better job. He said that the report says that states are unlikely to sell any land that is transferred to them. The final recommendation from the institute was federal fiduciary land trusts. He said that he doesn't agree. He said that he thinks the state of Idaho could manage the lands better and for the benefit of all constituencies. He discussed access and noted that in Wyoming the federal government has shut down access to some of his favorite fishing spots. He concluded that he thinks the state should try to get control of the federal lands.

The next speaker was **Mr. John Hoff**. **Mr. Hoff** said that he farms in Weiser and cannot get cedar fence posts anymore despite the presence of cedar forests in the state. He added that when you can find it, it is very expensive. He said that smoke has been a huge problem in Idaho. He said that Idaho is a tinderbox because the federal government is not managing the forests. He added that people with health conditions were captive in their homes during the recent fires. **Mr. Hoff** commented on grazing and how that can help with the management of the land but it isn't always allowed.

The next speaker was **Boise County Commissioner Jamie Anderson**. **Commissioner Anderson** told the committee that she has lived in Garden Valley for over thirty years and has also been a professional forester for over thirty years. She said she has participated with the Boise Forest Coalition since its inception. She went on to say that her first concern is funding for the start-up costs if a transfer were to occur. She added that her county taxpayers cannot afford to shoulder these costs or costs associated with potential litigation with the federal government. **Commissioner Anderson** told the committee that she supports solutions for rural economies and HR 1526 (as addressed by Congressman Labrador). She said she supports the collaboration approach to management on forest lands. She noted an effort in her area where an EIS was based, in part, on an attempt to avoid controversy. She said many in her county support the idea of returning to a natural resource-based economy. She said that she believes a good starting point would be to build partnerships and conduct a pilot project on about 200,000 acres of federal forest land.

The next speaker was **Dr. Karen Balch**. **Dr. Balch** told the committee that she is a private practice veterinarian from Cascade, Idaho. She said that at the last meeting of the committee that she attended, **Senator Stennett** raised the issue of the Trinity Ridge fire and the costs associated with that fire. She said that the response was that the costs could be contracted out if need be. **Dr. Balch** told the committee that prior to becoming a veterinarian, she worked in the Gifford Pinchot National Forest in fire control. She said she supervised a fuels management crew, acted as prevention control on initial attack, was squad boss certified, chain saw certified, worked on fires in-state and project fires out-of-state that were often over 100,000 acres. She added that in 2012, 1.76 million acres burned in Idaho, representing one-fifth of all the acres that burned in the nation that year. This was the Trinity Ridge fire. She said that in 2007, in Cascade they watched three pyrocumulus columns develop every day that became the Cascade Complex fire which later encompassed 300,000 acres. She said that on August 31 of that year, FEMA declared disaster fund relief which covered seventy-five percent of the funds for the fire. She asked the committee to imagine if they had not had access to the FEMA funds. She added that in 2007, there were 3 million acres that burned in the state. She said that if you eliminated the federal agency employees working in Valley County, they would probably be eliminating the highest paying jobs in Valley County and perhaps the majority of jobs that are offered in that county. She said that what she would like to propose to the committee is that the state has no idea what it is looking at in terms of fire control in Idaho. She said that coming from Washington state, Idaho had the reputation of being the most dangerous, steepest, most rugged outside of the fast-running grass fires in California. She said that

the costs would be catastrophic and would bankrupt the state. She added that the last year she fought fires for the Forest Service, fourteen of the most highly trained firefighters died on Storm King Mountain in Colorado. She said it was the Prineville Hotshot Crew, including two smokejumpers from McCall. She said it was tragic and that these were the most highly trained individuals. She said that if they intend to put this into state hands, they will see horrific loss of life.

The next speaker was **Dr. Olin Balch**. **Dr. Balch** told the committee that he is also a veterinarian in Cascade. He said that he grew up in Idaho. He said that his father wrote books about horses and the wildness of Idaho. He added that he is highly sensitive to the issue of federal lands and recreational activities and is opposed to the notion that the state should take over. He went on to say that he thinks his wife did a commendable job explaining the fire issues. He stated that having watched from his home a fire that encompassed 300,000 acres, it would be catastrophic for the state and his county to have to financially cover. He said that added to that issue is the fact that people die in fires and firefighting is not something you can pick up on a weekend or that a rancher can go out and give a hand with. He added that individuals could help with parts of fire control, like driving rigs but, to look at the entire perspective and how serious a matter it is, they have to realize that people die fighting fires. He said that for the state to take this job on and think it can do it commendably, is to put us in a catastrophic situation.

The next speaker was Shoshone **County Commissioner Larry Yergler**. **Commissioner Yergler** told the committee that seventy-four percent of his county is under federal ownership as the Idaho Panhandle National Forest. He said that as a county commissioner he took an oath to preserve the health, safety and welfare of the citizens and protect the economic stability of his county. **Commissioner Yergler** testified that next year, due to insufficient SRS funding, his county will not be able to fund its county road budget and will have over a \$1 million shortfall. He said that during the 1970s, federal forests in his county contributed annual timber harvests of over seventy mmbdft and the school districts were some of the richest in the state. Now, they struggle to pass a levee for building maintenance. He went on to say that the present state of management does not allow him to provide health, safety and welfare or community stability for the county to survive. He added that the 1987 Idaho Panhandle National Forest Plan is being revised and they are in a new objection phase of the revision. He said that they are concerned with the lack of consideration for the input provided by knowledgeable elected officials who listed policies which provided forest management while ensuring community stability. He stated that there was no attempt to coordinate the plan as directed under NEPA and resolve conflicts which may exist before release of the plan for public comment. He went on to say that the new plan places more emphasis on natural management of the forest first and only then considers benefits such as timber harvest to create revenues. He noted that he is concerned that asking Congress for money to do passive management of the forest is the wrong way to manage the forest and that emphasis on timber harvest must be a priority. He said that active management of the forest achieves the healthiest state of the forest, the healthiest state of wildlife habitat, creates jobs, protects watersheds and offers economic factors to provide community stability. He concluded by saying it is time to transfer the federal lands to the state of Idaho.

Mr. Larry Lundin was the next speaker. **Mr. Lundin** told the committee that he was for the transfer of federal lands to the state. He said that the management of our federal lands in the state has declined considerably in the last few years resulting in more and more fires. He added that revenue to our schools has consistently gone down because the federal agencies won't let us log and mine which these lands were meant for. He commented on other's concerns over funding but that we need to realize that the federal government is over fifteen trillion dollars in debt. He added having worked for the BLM for

two years he believes it is an inefficiently run organization. He said that we couldn't have worse management than that provided by the federal government. He said that even if we begin with a gradual takeover, he believes the federal lands should be transferred to the state.

The next speaker was **Mr. Richard Howard**. **Mr. Howard** said that Idaho's landscape is the foundation of our freedoms that we all share. He said that if you take away federal lands, many of those freedoms would be gone forever. He went on to say that the state would be compelled to eventually convert the lands to corporate and private ownership. He asked what kind of legacy would it be. He said that veterans returning to Idaho from World War II, Korea, Vietnam, Iraq and Afghanistan breathe a fresh air of relief by roving through Idaho's green conifer mountains and sagebrush grass plains. He asked the committee not to take this freedom away. He said that this isn't about state lands, private lands or Native American lands. It is about his home, his Idaho. He asked that they keep the federal lands as a valued symbol of our freedoms.

The next speaker was **Custer County Commissioner Wayne Butts**. **Commissioner Butts** said that he represents 4,900 people in a county just over 3.1 million acres. He said that almost 3 million acres is state or federally owned. He said Custer County is the second or third state or federally owned county in the lower forty-eight. He said they are slowly losing their grass use and access to land they once logged and recreated on. He added that the focus should be on whether we can manage our public lands. He said that his county is a training ground for forest supervisors and rangers. He went on to say that in his eleven years in office, he has been through twenty-four forest supervisors and rangers. He asked how could Custer County build a relationship with the Forest Service when they never know who is going to be there due to the high turnover. He stated that they all have their own plan and own agenda. He said that he thinks we could manage our public lands better than the federal government. He added that Custer County is in the black because they can run a budget. He said the committee has to consider the possibility of managing the lands and that the people of his county support the concept of state management of federal lands.

The final public testimony of the afternoon was provided by **Mr. Herb Malany**. **Mr. Malany** told the committee that he is the past chief forester for Boise Cascade. He said his stumpage value averaged \$25 to \$30 million per year. After costs, he said he had \$1.2 million left and they paid \$800,000 property taxes to the three counties they operated in. He added that a significant amount of money was invested in tree planting and thinning. He said that they referred to it as "practicing light on the land." He said that they used to say that if you could see that you were there, you probably cut too many trees. He went on to say that if you drive through the Smith's Ferry Canyon, that canyon has been logged four times since he started working and you can't tell it has. He said that when Potlatch owned the lands, they were open for recreation. He said they had abundant wildlife and that they got involved in ecosystem projects. He commented on the investment Boise Cascade and state agencies made in Cascade Reservoir to improve conditions there.

The next presenter was **Mr. Seth Grigg, Policy Analyst with the Idaho Association of Counties**. **Mr. Grigg** told the committee that he would be addressing the perspective of county commissioners in the overall management of public lands and where they stand on the issue of a transfer. He said that consistently, they are frustrated with the way our federal lands are being managed and the impact that is having on local economies.

Mr. Grigg said his membership debated the transfer issue at its September, 2013 conference and that two-thirds of the membership voted to support the work of the interim committee in exploring what the

transfer might look like. He added that they did not take a position on whether or not a transfer should occur. He went on to say that there was a small caveat in that counties have a financial interest in the management of federal lands and a significant revenue source they derive from federal lands. He stated that a loss of the PILT and SRS revenues would be detrimental to counties. He said that for some of the counties, up to fifty percent of their revenues come from these payments. He asked that the committee consider that in their deliberations.

Mr. Grigg stated that he has the results of a survey that the committee asked him to give. He said that he was asked in August to survey Idaho's 132 county commissioners to gauge their perspective on how federal lands are being managed. He noted that the survey was developed by the state of Montana. He said that he did not make any alterations to the survey. He stated that one-half of the commissioners responded with thirty-four of Idaho's forty-four counties being represented.

Mr. Grigg noted that two items stood out in the results. Over eighty-nine percent of those responding believe that fire hazard on federally managed lands should be reduced. In addition, over ninety-five percent of those responding believe that it is important for county residents to have motorized access to public lands.

Mr. Grigg told the committee that in terms of wildfire conditions on federal lands, forty-six respondents believe there is a risk to public safety, forty-seven believe that there is a risk to public property and fifty respondents believe there is a risk to private property. Seven respondents believe there is no threat. He added that a common theme with respondents was that there is a concern about the impact federal management is having on the ability of county residents to conduct their business. In terms of whether there is a need to reduce fire hazard on federally managed lands, **Mr. Grigg** said that ninety percent of respondents believe something has to change to protect public health and safety.

Mr. Grigg said that one of the most surprising results was in regard to water supply and the current federal land management of watershed. He said that almost thirty-two percent believe the management diminishes water yield, twenty-four percent believe it has no impact on water yield and thirty-six percent are unsure.

Mr. Grigg told the committee that over ninety-five percent of respondents believe that motorized access to public lands is important. He added that the counties were in the forefront, working collaboratively with other groups regarding the Roadless Rule that we have in the state.

Mr. Grigg said that in response to a question as to whether there is an adequate supply of motorized roads on federal lands to accommodate emergency ingress/egress, facility maintenance, public access and resource management, fifty-two percent responding said that there was while thirty-nine percent indicated that there was not. In terms of multiple-use recreation routes on federal lands, sixty percent indicated they would like to see increased multiple-use access while thirty-nine percent indicated that they would keep such access as it is.

Mr. Grigg went on to say that over sixty-six percent responding believe that current fuel loads on federal lands within their counties could result in severe, uncontrollable or catastrophic wildfires. Over seventy-five percent believe that a high intensity wildfire on federal lands is likely to cause a loss of habitat and threatened species within their counties. In terms of noxious weeds and bark beetle, over seventy-four percent responded that such environmental threats are not adequately controlled within their counties.

Mr. Grigg noted that over fifty-four percent of those responding believe that air quality in their county falls below acceptable health standards due to smoke originating from fire on federal lands.

Mr. Grigg said that one question on the survey asked whether PILT received was equivalent to the amount of actual land taxation of the lands. He said that over sixty-five percent responded that it was not. **Mr. Grigg** recounted for the committee how PILT was established in the 1970s as part of the Federal Land Management Protection Act. He said the payment is guaranteed but is subject to annual appropriation and is considered an entitlement. He went on to say that in 2008, Congress for the first time fully funded PILT so they wouldn't have to worry about the appropriation process but the full funding will expire this year. They are waiting to see if Congress will fully appropriate it again or if it will revert to an annual guessing game of what they will receive. He said that a benefit of PILT is that it can be used for any general purpose expenditure. PILT was intended as an offset of the fiscal impact of counties having to provide services on the tax exempt lands.

Mr. Grigg stated that there are two formulas used to calculate PILT, alternative A and alternative B. Alternative A has a higher per acre payment of \$2.54 per acre times the number of eligible acres. Once calculated they back out certain prior year payments, such as SRS payments. With alternative B, counties receive \$.35 per acre times the number of eligible acres and there is no prior year reduction. The two alternatives are run and whatever result is the highest will be what the county receives. He said there is also a sliding scale based on population that creates a ceiling.

Mr. Grigg showed the committee a slide depicting what could happen to counties if there was a transfer and no payments thereafter. By means of example, in 2012 Cassia County derived about half of their non-fee revenue from property tax, a quarter from state revenues and a quarter from PILT. If the county was to lose PILT, and there were no state payments made to replace it, the county would lose about \$2 million. He added that for a county the size of Cassia, that would be a significant hit. He compared this to Owyhee county that has a substantial amount of wilderness, so it would be kept whole.

Mr. Grigg told the committee that the next survey question dealt with the SRS program. Fifty-seven percent of respondents indicated that they did not believe that the amount their county derives from SRS would be equivalent to the amount it could derive from responsible harvest on natural resources. He said that SRS is not an entitlement program. He said it was established in 2001, intended as a stop gap solution until the federal land management agencies could come up with better policies on the ground. It initially expired in 2007, and was reauthorized thereafter. They will be asking for another extension. He added that SRS is dedicated and must be used for roads and bridges. He said that PILT and SRS are subject to budget sequestration. He showed the committee some charts depicting the origin of various counties road and bridge budgets. Shoshone County and Valley County use a significant amount of SRS for their road and bridge budgets.

Mr. Grigg said that if a transfer were to occur and the lands went into the endowments, counties would lose a significant amount of revenue and he asked the committee to keep that in mind as they explore this issue. He said that a twenty-five percent model would be a good one to use because those monies are dedicated to schools and roads.

Mr. Grigg then went on to a survey question relating to economic productivity on federal lands and whether that productivity and number of related private sector jobs are commensurate with the resource production capacity of such lands. Over sixty-four percent of respondents indicated that it was

not. He added that high unemployment rates in the state show that numbers are higher in resource based counties in the state.

Over seventy-four percent of respondents indicated that federal policies for threatened or endangered species are adversely impacting private landowners, businesses, industries and citizens within their counties, according to **Mr. Grigg**. Finally, he said that seventy-one percent of respondents indicated that federal land management resulted in adverse impacts to county economies.

Mr. Grigg concluded by reiterating the association's position as adopted at their fall meeting. He stated that The Idaho Association of Counties supports HCR 21 and the work of the Federal Lands Interim Committee to explore the transfer of ownership of certain federal lands from the federal government to the state of Idaho provided that in the event that there is a transfer of federal land to state ownership, the state of Idaho will permanently provide continuous funding to respective counties for state owned lands.

Representative Burgoyne asked if **Mr. Grigg** had done any calculations on what it would cost the state if lands were transferred and the state elected to hold the counties harmless from revenue loss. **Mr. Grigg** directed the committee to page 7 of his handout, which is posted on LSO's website. He noted that in 2012, counties received about \$25.5 million in PILT, \$12.5 million in Title I SRS and \$1.1 million in Title III SRS and just under \$500,000 under the Mineral Leasing Act. This doesn't include payments to school and highway districts and is specific to counties. He said that if you add those in, you are looking at about \$50 million annually statewide.

Representative Burgoyne then asked whether the survey data could tell them the populations in the responding commissioners' respective counties. **Mr. Grigg** said he did add one question into the survey for identification purposes and could get that to the committee.

Senator Stennett asked how a ten to fifteen-year transition period would affect the counties financially. **Mr. Grigg** said that issue didn't come up in the debate but he thinks it would pose some challenges and it would all depend on how a transition was to occur.

Senator Stennett asked what expectations the counties have regarding the process of a potential transfer. **Mr. Grigg** responded that they have a diverse group of commissioners and there wasn't a consistent theme. He said the discussion was more about how to keep counties whole. He added that counties do want to see management on the ground improved.

Representative Gestrin said that what he takes from that is that counties want to determine their future with local management of resources within the county so they have an economy and no longer dependent on outside forces for their income. **Mr. Grigg** responded that in most counties that would be a fair statement. He added that so long as there is federally managed land, there is an obligation for the federal government to provide a payment for those tax exempt lands.

Representative Moyle asked if **Mr. Grigg** has a chart showing the percentage of revenue that comes from the federal government for each county along with their mill levy rate so that they can see if the counties receiving more from the federal government have a lower mill levy rate. **Mr. Grigg** said the closest he would have to that would be in his handout on page 6. He said he could find the mill levy information if that is of interest. **Mr. Grigg** said that he would guess that in many cases those counties would have slightly lower mill levies.

Representative Moyle said he would also like to see which counties have highway districts and which do not so that they know what they are comparing. He said he would like to see what burden is shifted due to federal payments or the lack thereof. **Mr. Grigg** responded that, in terms of SRS, the highway districts benefit as do the counties so the road budgets may not show that information. He said that PILT could be used to reflect that information.

The next speaker, **Mr. Will Whelan, The Nature Conservancy in Idaho, Idaho Forest Restoration Partnership**, was the first of four speakers to make presentations relating to collaborative efforts occurring throughout the state.

Mr. Whelan stated that the Idaho Forest Restoration Partnership (IFRP) was formed in 2010 to provide training, information and networking to citizen groups and local collaborative groups that were working to restore the resilience and health of forests on public lands in Idaho. He said they appreciate the committee taking a very open-ended look at issues under HCR 21.

Mr. Whelan said that IFRP is not there to speak for or against any particular proposal. He said that the collaborative groups have no position, which also means they have every position. He said some members have a very strong interest in the state taking over federal lands, others are equally vehemently opposed to the notion and others are not going to spend their time on the issue. He told the committee that the collaborative groups are very diverse and, despite that fact, what they have managed to do is to figure out a way to work together in their local areas for efforts that make sense there.

Mr. Whelan presented a PowerPoint for the committee that may be found on LSO's website. He said that the four principles that were adopted by IFRP at the outset were as follows:

- Strategic forest restoration is essential to address the challenges of uncharacteristic wildfire, insects and climate change.
- Active management is needed in some areas of public forests to restore their resiliency.
- A healthy forest industry is an important part of a restoration strategy to offset restoration costs and to provide jobs and economic stability.
- Collaborative groups including interest groups, elected officials and public land managers provide useful advice and recommendations on how best to accomplish restoration.

Mr. Whelan said the IFRP grew out of a meeting of the Society of American Foresters in 2010. He said there was a trend across Idaho and the west that people with very different backgrounds were beginning to sit down together to see what they could agree on and how to use management to solve problems and long-standing conflicts, particularly in the national forests. He said they brought a number of those people to Boise and had an interesting discussion about where they could find an area of agreement around national forest management. He said that they realized no one had taken on the job of trying to network the various groups that were forming and provide them with training and information. He said they have now held three well-attended winter conferences, have a website and track the progress of the various groups. He said at the last conference they decided the groups had been around long enough that they have a track record. IFRP, as a result, put together the Collaborative Forest Restoration In Idaho report of November 25, 2013 which is also posted on LSO's website.

Mr. Whelan pointed out the nine collaborative groups working throughout the state of Idaho. He said

most of the groups arose independent of the Forest Service. He said most are working around three objectives, ecological, economic and social. He added that the groups are all unique. He stated that some groups are notably localized, such as the Island Park Sustainable Fire Community, while others are working on much larger landscapes, such as the Clearwater Basin Collaborative and the Payette Forest Coalition.

Mr. Whelan told the committee that the groups have been very successful in getting people to set aside their differences and work together. He added that the two people that chair the Clearwater Collaborative met each other in court as opposing parties in a lawsuit.

Mr. Whelan showed the committee some slides reflecting various projects being conducted by the collaboratives. Cumulatively, he said the projects add up to more than 130 million board feet harvest and also include restoration efforts including habitat, recreational facilities, invasive weeds and influence tens, if not hundreds, of thousands of acres. He added that some projects are small scale and others, like the Clear Creek project, will be a multiple year project over tens of thousands of acres. He said there is an emerging zone of agreement that brings many of the conservation groups, the timber industry, elected officials and communities together around the principle that forests can be actively managed in ways that further the interests of all groups.

Mr. Whelan said that the main aim is to make forests more resilient against uncharacteristic wildfires, insects and climate change and how we use active management and restoration to get that done. He said that none of this happens without the Forest Service.

Mr. Whelan concluded by saying that a few of the take-home lessons so far are as follows:

- The collaboratives provide critical public support for action to restore forests.
- They are making good things happen.
- They act at the local level.
- Their lasting value may be as a proving ground for forest restoration that earns broad public support and can be more widely applied in the future.

The next speaker, also with IFRP, was **Mr. Rick Tholen**. **Mr. Tholen** told the committee that he is a retired forester who spent thirty-two years primarily working for the BLM. He said that he is the immediate past Chair of the Snake River Chapter and the Chair-Elect of the Intermountain Society of American Foresters. He said that he is also a member of the Payette Forest Coalition which is working to provide consensus recommendations concerning the forest restoration on Payette National Forest.

Mr. Tholen said that during his career he experienced the decline in public support for active management on federal forests including working in western Oregon when the Northern Spotted Owl was listed as a threatened and endangered species. He said he saw firsthand how a lack of broad public support for forest management impacted the government's ability to deliver an efficient and effective program.

Mr. Tholen noted that in 2010 he helped organize a conference focused on the sustainability of federal forests in Idaho. He said that they learned that what was holding back restoration actions that would help Idaho forests respond and adapt to wildfire, insects, disease and climate change wasn't a lack of technical knowledge or economic capacity. He said it was the lack of broad public support, or "social license," to actively manage the lands.

Mr. Tholen said they also learned that local groups were forming to try to break the gridlock and provide the social license for the Forest Service to accelerate restoration activities. He said that what he means by “restoration” is both restoring the resistance and resiliency of forests to wildfire, insects and disease as well as restoring water quality and associated fish and wildlife habitat. **Mr. Tholen** said that he believes such groups are well worth our investment and support because they offer the best chance of ending the timber wars and accelerating the pace of forest restoration.

Mr. Tholen told the committee that the groups are not just promoting the use of prescribed fire or small log and biomass fuel removal to accomplish restoration. He said the groups are also promoting commercial forest management that could ultimately employ hundreds, if not thousands, of forest workers and provide a significant quantity of raw materials to the forest products industry across the state.

Mr. Tholen went on to tell the committee about the Payette Forest Coalition. He said the group was formed in 2009 by the Rocky Mountain Elk Foundation and Woody Biomass Utilization Partnership and is made up of thirty-five member organizations and individuals, including both Adams and Valley County Commissioners, the Idaho Conservation League, Trout Unlimited, the Nez Perce Tribe, Boise Cascade, the Idaho Forest Group and Potlatch Corporation, to name a few.

Mr. Tholen said that the group has provided consensus recommendations to Forest Supervisors on two large landscape projects: the Mill Creek/Council Mountain and Lost Creek/Boulder Creek projects. He added that they are currently working on recommendations for a project on the Middle Fork of the Weiser River. He went on to say that with the third project, the group will have recommended nearly 35,000 acres of commercial forest treatment in its short five-year history which could generate nearly 100 million board feet of timber, enough to build 6,000 homes, create hundreds of jobs and significantly stimulate economic activity in those counties.

Mr. Tholen added that the Forest Service has sold over 16 million board feet of timber in contracts associated with one of their projects and has plans to offer another 15 million board feet in FY 2014. He stated that the Lost Creek/Boulder Creek project, currently going through NEPA, has the potential to offer another 30 to 40 million board feet of timber over the next two to three years.

Mr. Tholen said that in addition to harvest, these projects provide jobs and also result in thinning tens of thousands of acres to reduce the risk of catastrophic wildfire as well as improve habitat. In the Lost Creek/Boulder Creek project, they want to add more than sixteen fish-passable culverts which will open up an additional 15.3 miles of salmon and steelhead habitat. He added that the project will also decommission seventy of the nearly 500 miles of Forest Service system roads with the area that are no longer needed for management and improve another 254 miles of roads.

Mr. Tholen said that all of this work is being done using the existing Stewardship Contracting Authority that allows the Forest Service to trade the value of the timber for services such as road work and improvement to recreation facilities. He added that means the value of the timber stays in Idaho.

Mr. Tholen said that there are some constraints on collaboration. He said that collaboration between diverse interests takes a great deal of finesse and a great deal of time. He said that working in a collaborative environment is a relatively new management model for the Forest Service. He went on to say that most collaborative groups have been successful because they focused on their shared interests

rather than on where their interests diverge, termed the “zone of agreement.” He said that there are no guarantees that collaboration will prevent projects from being appealed or litigated by those who choose not to participate. He added that so far the evidence he has seen supports the notion that these groups are making a difference in the number of appeals and litigation.

Mr. Tholen told the committee that while IFRP recommendations are aimed primarily at the federal managers and elected officials, they believe it is important for others to understand so that they can provide support where appropriate. He said the first recommendation in the report is to encourage federal forest managers to embrace collaboration and work to improve its functionality and the interface with existing laws and regulations. He said the second recommendation is to back those Congressional actions that help empower collaborative forest restoration such as fully funding the Forest Service’s Collaborative Forest Landscape Restoration and Hazardous Fuels Reduction programs and permanently reauthorizing Stewardship Contracting which expires this year. He stated that they recognize that, while not perfect, collaboration has the potential to restore active management to federal forests that has a broad base of support within Idaho. He said support and encouragement for organizations that have committed to collaboration rather than litigation will go a long way in keeping the groups engaged and the restoration ball moving forward.

The next speaker to address the committee was **Mr. Bill Higgins, Clearwater Basin Collaborative**. **Mr. Higgins** told the committee that he is the resource manager for Idaho Forest Group. He said they have five sawmills in Idaho and he is responsible for procuring timber for the mills in Grangeville and Lewiston. He said they are currently investing in a new sawmill in Lewiston. He said he would not be making a recommendation to the committee for action but to report on their work in the Clearwater Basin Collaborative.

Mr. Higgins said that the formation of the collaborative came out of conflict. He said the area has been a hotbed about national forest management for some time. He said it came out of a lawsuit involving recreational access to Fish Lake. He said other collaborative work has led up to where they are today including the Clearwater Elk Collaborative. He noted that **Senator Mike Crapo** formed the group by invitation in May of 2008.

Mr. Higgins said the purpose of the collaborative is to provide recommendations for actions concerning the use and management of lands within the Clearwater Basin in Idaho. Its vision is to enhance and protect the ecological and economic health of our forests, rivers and communities within the basin by working collaboratively across a diversity of interests.

Mr. Higgins showed the committee a slide depicting the area of the Clearwater Basin Collaborative which encompasses the Clearwater and Nez Perce National Forest Lands in Idaho and Clearwater County, representing about 4 million acres, with about seventy-five percent being wilderness or roadless.

Mr. Higgins noted the diverse membership of the collaborative ranging from Backcountry Hunters and Anglers, county commissioners, lumber companies, the Idaho Conservation League, Idaho Fish and Game, logging groups, Trout Unlimited, Nature Conservancy and the tribes, to name a few.

Mr. Higgins addressed the group’s accomplishments to date. The focus, he said, is on increasing active management. He said the group’s activities are broader than that but he will focus on that point for his presentation. **Mr. Higgins** noted the Selway-Middle Fork CFLRP project award, which was one of ten

awarded nationwide in 2010. This project was proposed jointly with the Forest Service. He said that it will bring up to \$40 million added funding into the basin. The project area planned to produce in excess of 120 mmbf of timber over ten years plus much other restoration. He said that roughly ten percent is invested in putting logs on trucks. The rest of the funding goes to restoration activity. He said that for the project to be seen as a success by the industry, it must be additive, producing more timber than they otherwise would have. He said they are on track to accomplish this. He said the Clear Creek project that **Mr. Whelan** discussed is the biggest project they have seen in many years. A draft EIS is in place but there is a possibility that someone will object to it.

Mr. Higgins said that their harvest targets are up fifty percent in the Clearwater Basin. He said it is a great first step, being half-way where they need to be.

Mr. Higgins went on to tell the committee that the Nez Perce Clearwater was selected as an early-adopter forest under the new Planning Rule. Credit was given to the collaborative for the forest being so selected. He noted that the revised forest plan provides an opportunity to enshrine and authorize an increased level of management and management direction. He noted that a draft plan will be out by spring.

Mr. Higgins went on to tell the committee that before they were selected as an early-adopter, they needed to answer some questions. He said they initiated a landscape assessment, phase 1, with the Nature Conservancy acting as science lead. The assessment describes forest structure conditions as compared to the historical range of variation baseline. He added that this helps provide the Ecological "Zone of Agreement" and science case for treatment that will yield significantly increased timber harvest in the front country where wildfires will continue to be suppressed and mechanical treatment is the preferred vegetation treatment tool. He said this assessment is expected to be highly influential in the revised forest plan.

Mr. Higgins stated that a key accomplishment is a shift to landscape level planning and project development, which is a cultural shift for the Forest Service. He said the old way was a shotgun approach with limited accomplishment. He added that the new way is having large planning areas with significantly increased vegetation treatment, or timber harvest that is needed to move the forest toward a desired condition. He said that collaboration has been critical in providing social license and support needed for the Forest Service to be courageous in their proposals.

Mr. Higgins told the committee that there are limitations. He said there is a limited geographic scope. Efforts require people with collaboration skills and technical knowledge and not everybody has those skills. He said that a collaborative's success may not be replicable in other places. He added that it is difficult to maintain sustained energy by all participants for the long run and participants need "skin in the game." He also said that non-participants may be able to use appeals and litigation to stop or change outcomes desired by collaboratives.

Mr. Higgins commented on their strengths, such as collaboration being embraced by the Forest Service. He noted that historical adversaries have become allies. They have abandoned an "us versus them" attitude and adopted a win-win solution approach that has become the norm. He said that the vision is that extremists become marginalized and are rarely successful in disrupting the will of the collaborative who represent a balanced view of forest management.

The final speaker in the collaborative group was **Mr. Tom Richards of Northwest Management, Inc.** **Mr.**

Richards told the committee that he would be addressing a new type of collaborative that is referred to as the anchor forests concept. He noted that as part of this, their group is conducting a pilot project that is being funded by the Forest Service.

Mr. Richards said that along with their company, other supporters include the Intertribal Timber Council, a consortium of about eighty tribes nationwide that own a significant amount of timberlands with active forest management taking place, the Western Governors Association, the National Association of State Foresters, The Nature Conservancy, the Forest Service and Washington DNR .

Mr. Richards said that the impetus behind the approach is that we are losing our forests. He went on to say that forest health is deteriorating, unable to sustain ecological functions and economies of rural communities. He said that political conflicts, complex administrative processes and legal challenges are impeding our ability to manage the land. He added that there are increasing threats and costs of catastrophic losses from insects, disease and wildfire. He also noted that there is growing uncertainty in terms of climate change, invasive species, disappearing management, harvesting, transportation and processing infrastructure with an increased reliance on substitutes and imports.

Mr. Richards went on to say that mountain pine beetles and spruce bud worm infect millions of acres. He stated that wildfires are increasing in size and intensity. He added that this is because we are not managing our lands.

Mr. Richards said all of this resulted in a call for action and much of it began in the tribal communities through the Intertribal Timber Council, the National Congress of American Indians and the Affiliated Tribes of Northwest Indians. He added that many of the western reservations are neighbors of the Forest Service. The tribal organization got together with other supporters that he has mentioned and put together a concept paper involving anchor forests.

Mr. Richards said that the concept was first presented at a forum in 2007 sponsored by the University of Washington. He said that since then it has gained a lot of traction in the tribal community. He added that it resulted in a \$600,000 funding grant from the Forest Service to the Intertribal Timber Council. He told the committee that this concept and project are dealing with diverse ownership, not just federal lands.

Mr. Richards said the big question across the landscapes is how can healthy forests be sustained and management coordinated. He went on to say that the anchor forests pilot is a pathway to landscape scale collaboration, a proactive approach with three major goals:

- Restore capacity and infrastructure;
- Coordinate management across ownerships to address forest health and ecosystem process issues; and
- Provide economic, social and cultural benefits to local communities.

Mr. Richards went on to say that the anchor forest concept is defined as a relatively large multi-ownership area that will support sustainable long-term wood and biomass production levels backed by local infrastructure and technical expertise, and endorsed politically and publicly to achieve the desired land management objectives.

Mr. Richards noted that components include the following:

- Regional in size;
- Multi-ownership;
- Collaborative process;
- Infrastructure loss;
- Long-term forest plans; and
- Commitment of supply to support viable infrastructure.

Mr. Richards told the committee about the Anchor Forest Pilot Project located on the east side of the Cascades in Washington. He said there have been a lot of fires and insect damage in the area. They have selected three areas in that vicinity to be involved in the project, one of which extends into a portion of northern Idaho.

Mr. Richards went on to discuss the tasks that have been identified as well as the deliverables that they will attempt. He said the project was started about six months ago. He added that they have hired experts from various universities. They will be looking at the infrastructure, institutional capacity, database development and barriers to collaboration in all three areas. He added that they will be conducting focus groups in the three areas to determine the barriers to collaboration at this level.

Mr. Richards told the committee about the Tapash Collaborative. He said this collaborative is based in south central Washington and has been around for about seven years. He added that they have not yet put out a successful project. He said that they will be studying the group to determine strengths and barriers. He said that this collaborative is not made up of stakeholders, but landowners.

Mr. Richards noted that their desired outcomes are to build relationships and a common vision to reduce administrative and legal challenges to the capacity of the Forest Service to actively manage the national forest system. He added that they would also like to see collaborative partnerships in the selection and prioritization of projects to sustain viable economic and ecological systems, utilize the Timber Forest Protection Act, stewardship contracting and existing authorities and initiatives.

Mr. Richards concluded by noting that the core values of collaboration are that they are engaged in the community, strategically and progressively, by being transparent and inclusive, and technically competent. He added that core values should lead to relevance, trust, respect and resilience.

Senator Tippets said he appreciates the fact that one outcome of the collaborative efforts might be increased opportunities for harvesting timber. He asked about the costs associated with harvest as well as the quality of the restoration efforts. In response, **Mr. Higgins** responded that they are actually going down because of the experts they are using and landscape level planning. **Mr. Tholen** responded that on the Payette Forest, he would say the quality of restoration was very high in terms of achieving the objectives of reducing the chance of catastrophic fire and insect damage, thinning while leaving large forests in most cases. He said they rely a lot on the Forest Service's expertise.

Representative Burgoyne asked **Mr. Richards** if he had any thoughts about whether we know, in Idaho, what we want to do with our forests so that the problems we have at the federal level won't be replicated at the state level. **Mr. Richards** responded said it would depend on how a transfer was structured in terms of whether they would be considered trust lands or whether we were simply managing federal land. He said many of the same issues would probably still exist if they were not folding into the trust lands.

Representative Burgoyne asked if lands were transferred to the state, would the collaboratives continue or would they be unnecessary. He asked if they continued, at what cost would they continue. **Mr. Whelan** responded that would be very difficult to predict. He added that the collaboratives recognize the legitimacy of everyone's interests and if you have a single use purpose, there wouldn't be much collaboration unless we had a very different state management scheme than we do today. He said that the chemistry of collaborative groups is unique and sometimes fragile.

Senator Stennett asked about biomass and wonders whether that goes for energy use. **Mr. Richards** responded that he is referring to the potential for biomass use in local areas. **Senator Stennett** commented that there are some operators with the technology that would work with the collaboratives relative to biomass and energy. **Mr. Richards** responded that you would have to have some guarantee of supply.

The next presenter before the committee was **Ms. Sandra Mitchell** with the **Idaho State Snowmobile Association**. **Ms. Mitchell** told the committee that management of federal forests began to change in the late 1950s and early 1960s as pressure was placed on agencies to meet timber production targets. She said the Forest Service and BLM began to cut corners, relying more and more on clearcutting. She added that environmental organizations, formed or strengthened locally and nationally in response, gained political leverage. She said that as a result, well meaning but often badly written laws were passed such as the National Environmental Policy Act and the Endangered Species Act. **Ms. Mitchell** went on to say that as a result of these laws, proactive management of federal lands has come to a virtual standstill.

Ms. Mitchell said that recreation was supposed to fill in behind job losses but not all recreation was accepted, including motorized recreation which she said accounts for a great deal of money coming into the economy. She provided the committee with a number of examples where motorized recreationists have been delayed or prohibited from participating in motorized recreation due to non-motorized uses and closures due to the ESA.

Ms. Mitchell went on to say that the snowmobile community works closely with federal agency employees and finds many dedicated, competent and hard-working but that they are in an impossible situation in terms of constantly being threatened with lawsuits and political pressure. She added that with each new land management plan, motorized use is relegated to smaller and smaller areas.

Ms. Mitchell stated that they believe that if the state were to manage the lands the lands would be more productive and accessible. She said the land and its resources would benefit as well as local economies and communities and the nation as a whole. She added that if the land would continue to be encumbered with the same laws, rules and regulations, the financial burden would be insurmountable and the likelihood of better management small.

Ms. Mitchell added that they would like to see the lands available for a variety of recreation pursuits in well-managed settings. She said the challenge is to find balance between quantity and quality. She went on to say that wildlife, fish, water, soils, vegetation, air, cultural and recreation resources must all be treated in an integrated manner. She said that managers should look for ways to maximize recreation opportunity without sacrificing quality or sustainability.

Ms. Mitchell stated that they believe there is great merit in **Congressman Labrador's** bill "Restoring

Healthy Forests for Healthy Communities Lands Act” that would transfer the management of about 200,000 acres of federal land to the state as a trust. She said a pilot transfer might also serve to calm reservations that many outside of Idaho would have about the lands being abused or mismanaged.

The final speaker of the day was **Mr. David Claiborne, President of the Idaho State ATV Association**. **Mr. Claiborne** told the committee that their organization is a statewide group with over twenty local riding clubs with about 2,000 members. He said they represent ATV, UTV and OHV users throughout the state. He added that they are working to maintain open access to public lands and encourage safe and responsible riding.

Mr. Claiborne said that they devote thousands of hours per year toward maintenance and improvement of trails, trailheads and other motorized use areas. He added that they support principles such as “tread lightly,” “stay on trails” and minimum impact. He said they recreate on public lands because they enjoy the outdoor experience and the ability to interact with the environment. They care about the environment and desire its protection but view that through a balanced perspective that encourages multiple use and open access.

Mr. Claiborne said that they believe the committee should look whether the federal government is failing the recreation community in current management practices and how the state could better manage recreation interests. He said it is their understanding that if a change were to occur, it would only relate to non-wilderness areas.

Mr. Claiborne said that their concerns with federal management include the over-reaching of the ESA, the confusion involved with national travel management planning, the reduction of opportunity caused by national travel planning and the lack of interest in maintenance. **Mr. Claiborne** said that they strongly believe that local control and local interests create better results and would offer better opportunity. He said they also see a much greater opportunity for collaborative decision making through state control. He said there would also be more opportunity for economic development with state control. He added that they see an opportunity to ensure travel management directives are consistent. **Mr. Claiborne** said that state management would offer a return to common sense and logical management.

In conclusion, **Mr. Claiborne** noted that motorized recreation interests in Idaho are not being well-served by the federal government. He said that state control and management of existing non-designated federal lands would improve the motorized recreation experience in Idaho. He said they encourage the committee to further pursue, through whatever appropriate means, the turnover of non-designated federal lands to the state for management.

Co-chair Winder told the committee that they will need to contemplate what kind of initial statements they want to develop in terms of, for example, the types of federal lands they will be considering, with the elimination of some types of lands. He added that they would want to address concerns expressed by the public including concerns relating to access and the retention and/or sale of any transferred land. He added that they will need to develop some committee strategies and consensus in terms of the direction they want to go with the hope of eliminating some misunderstandings and clarifying initial concerns.

Co-chair Denney added that he believes the committee needs to do a complete economic analysis on the multiple-use concept to come up with some numbers that the committee can rely on.

Representative Burgoyne stated that they have had a spirited debate about whether federal lands should be transferred to the state. He said that if lands were transferred, they have only heard generalities of what state management would look like and he thinks that is a huge issue. He asked whether the lands would go into the endowments. He asked whether there would be a new kind of state land and what would that look like. He asked to what degree the state would address county payment issues and other issues. He said it may be easy to say we don't like what we have but he thinks we have to precisely answer the question as to what state management of the lands would look like and he said he thinks the committee is a long way from being about to do that.

Senator Nuxoll said she believes the economic analysis is extremely important. She added that the counties need to be fully informed.

Representative Gestrin commented that the committee also needs to create a management model and have additional comments from areas in the state where the lands are located.

The meeting was adjourned by motion, second and unanimous voice vote at approximately 5:00 p.m.