

February 15, 2019

Alaska Forest Association Remarks for the Alaska Senate Resources Committee

1. Timber supply is the primary issue facing most of the industry in Alaska.
2. The State 5-year timber sale program for the Fairbanks area averages about 2,000 acres per year. This is well below the potential harvest level for these lands, but seems to be enough to sustain the current operators.
3. The State 5-year timber sale program for the Mat-Su and Kenai areas is about 1,000 acres per year, which is about half of the potential for those timberlands. The State plan for these areas is focused on sanitation and salvage logging. That is understandable, but local mills report that they need significantly more green-timber sales. They cannot operate profitably on beetle-killed timber alone.
4. The State 5-year timber sale program in Southeast Alaska is limited by the small amount of State land in the region, most of which is not in the Southeast State Forest. The State timber sales have helped sustain the timber operators in Southeast, but the State timber is not adequate to compensate for the worsening timber supply situation on the national forest.
5. As a result of the ongoing timber supply shortage from the national forest in Southeast Alaska we have only one mid-size sawmill surviving. The current Forest Service leaders are working to correct the shortcomings in the current land management plan, but that process will take several years. The industry has asked the State to provide some longer term timber sales to keep the industry alive in the interim.
6. The State has also lost some of its more experienced staff in recent years and the State has allowed the industry to mark the cutting boundaries on one recent timber sale. This seems to be working well and we hope the State will continue this practice.

7. We also support the State effort to do the field work, contracting work and administrative oversight of some of the federal timber sales. This also seems to be working well and we would like to see the State and Forest Service expand this program.
8. We have also suggested some minor regulatory changes to reduce the paperwork requirements for the State Foresters and enable them to be more productive.
9. In the long-term in Southeast, we need to access a larger percentage of the national forest timberlands. In order to save time today I sent your committee a briefing paper that I prepared last October for the new Undersecretary of Agriculture. That paper describes why the national forest timber program has failed and what needs to be done to correct it. The Forest Service has already started on that effort.
10. That Our Association' long-term goal is to restore sufficient timber supply to support a fully-integrated manufacturing industry that can process all of the trees that are cut on the forests. Currently the Forest Service allows up to 50% of the national forest timber to be exported as round logs because we do not have enough timber supply to support facilities that can utilize the low-grade logs and the current young-growth timber.
11. Once the Roadless Rule is revised, we hope the Forest Service will begin a Revision to its current land management plan to make it possible for the agency to prepare economic timber sales. This means revising the current wildlife conservation strategy and modifying some of the land use designations on the national forest. In order to be successful with this effort, we will need much stronger support than we received in the past from both the State Division of Forestry and the State Fish and Game.