

MINUTES OF THE MEETING
NATURAL RESOURCES
MONTANA STATE SENATE

March 16, 1979

The twenty-sixth meeting of the Natural Resources Committee was called to order by Senator Harold Dover, Vice-Chairman, at 1:10 P.M., on the above date in Room 405 of the State Capitol Building.

ROLL CALL: Upon roll call all members were present with the exception of Senators Roskie, Brown, Story and Thiessen. Senators Roskie, Brown, and Story arrived shortly after the meeting began.

Mr. Dave Cogly, Staff Attorney from the Legislative Council, was also present. See attached visitors' register for the names of visitors present.

CONSIDERATION OF HJR 6: "A joint resolution of the Senate and the House of Representatives of the State of Montana urging the President of the United States, the United States Congress, and others in the Federal Government to refrain from further designating wilderness areas without the approval of the state affected and requesting that lands under study for wilderness designation be returned to multiple-use management.

Vice-Chairman Dover called on Representative Bill Hand, District 82, to present HJR 6 to the Committee. Representative Hand summarized the reasons he felt HJR 6 was necessary and then called on Mr. Robert Holding, Executive Director, Montana Wood Products Association, to present some further information for the Committee's consideration. Mr. Holding showed a map to the Committee of the various wilderness study areas in Montana and also presented some exhibits for the Committee's consideration (see attachments).

Vice-Chairman Dover called for any other proponents to HJR 6. Mr. Don Allen, Montana Petroleum Association, spoke in favor of HJR 6 and said he felt it would enable the state to say they wanted to be talked to before considering some of these wilderness areas.

Mr. Frank Dunkle, Montana Mining Association, also spoke in favor of HJR 6. He pointed out that the Governor's Office has asked for input but it has just been a suggestion and felt HJR 6 would be more effective in bringing this about.

Mr. Peter Jackson, Western Environmental Trade Association, also spoke in favor of HJR 7 as well as Janelle Fallan, Montana Chamber of Commerce, and Bob Biggerstaff, Montana State Grazing Districts and the Association of Conservation Districts.

There being no other proponents to HJR 7, Vice-Chairman Dover called for any opponents to HJR 6.

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Ms. Charlotte Easter, representing herself, was opposed to HJR 6 and submitted her testimony in written form (see attachment).

Mr. Bill Cunningham, Montana Representative for the Wilderness Society, was opposed to HJR 6 and said there are now strong fiscal arguments for preserving these lands. Mr. Cunningham presented some exhibits disputing the material presented by Mr. Holding (see attachments). Mr. Cunningham said he wants to see each proposed wilderness considered on its own merit.

Mr. Leonard Sargeant, Environmental Information Center, was opposed to HJR 6 and pointed out several aspects of HJR 6 which he felt were inaccurate.

Mr. Bill Bishop, Montana Wilderness Association, was also opposed to HJR 6 and said that the things it requests we already have so he felt it was unnecessary. Mr. Bishop submitted some information for the Committee to consider including a study on the RARE II project (see attachments).

Written testimony opposing HJR 6 was submitted prior to the meeting by Willa Hall, League of Women Voters (see attachment).

There being no other opponents, Vice-Chairman Dover opened the hearing to questions from the Committee and several questions were addressed to Mr. Holding and Mr. Sargeant concerning some of the comments they had made.

Representative Hand then made a brief closing statement and Vice-Chairman Dover turned the chair over to Chairman Roskie.

CONSIDERATION OF HB 329: "An act extending the period of effectiveness of the Act establishing the Energy Supply Alert and Vesting Energy Emergency powers in the Governor; amending Chapter 577, laws of Montana, 1977."

Chairman Roskie called on Representative Sheldon, District 22, to present HB 329 to the Committee. Representative Sheldon gave the history of HB 329 and told the Committee that it had been necessary to redraft the bill because the deadline had been reached before the legislature had been able to pass a law which would have extended the period of effectiveness.

Chairman Roskie called for any other proponents. Mr. Don McIntyre, Department of Natural Resources, spoke in favor of HB 329 and said it is the same bill passed by the 1977 legislature and merely re-establishes the provisions establishing the Energy Supply Alert.

Mr. Gene Phillips, Pacific Power and Light, and Carol Kirkland, Montana Petroleum Association, also spoke in favor of HB 329.

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There being no other proponents, Chairman Roskie called for any opponents and there were none. Chairman Roskie then opened the hearing to questions from the Committee and several questions were addressed to those that had testified about the possibility of an energy shortage in the near future. Mr. Robert Hall, Administrative Assistant in the Lieutenant Governor's Office, was also present to answer some of the Committee's questions.

Representative Sheldon closed by re-emphasizing the fact that a serious energy problem, particularly with electricity, is a very real possibility.

DISPOSITION OF HB 329: Senator Etchart moved to amend HB 329 on page 13, line 13, by inserting "and remains in effect until July 1, 1985" after "approval". The motion carried unanimously with those present.

Senator Dover moved to further amend HB 329 on page 3, line 20, by changing the 4 members to 8 members and also to amend HB 329 on page 8, line 4 by inserting "by the committee" after "finding". There was some discussion on Senator Dover's second amendment. It was determined that the second amendment was unworkable so Senator Dover withdrew his motion to amend HB 329 on page 8, line 4. Chairman Roskie called for a roll call vote on Senator Dover's first proposed amendment and the motion carried (see attachment).

Senator Lowe then moved that HB 329 BE CONCURRED IN as Amended. Chairman Roskie called for a roll call vote. The motion carried (see attachment).

Senator Brown moved that a statement of intent be added to HB 329. All those present voted in favor of the motion with the exception of Senators Manley and Lowe.

DISPOSITION OF HB 717: Senator Elmer Severson, District 46, proposed some amendments to HB 717 for the Committee's consideration. Senator Dover moved the amendments be adopted. The motion passed unanimously. Senator Dover then moved that HB 717 BE CONCURRED IN as Amended. The motion passed unanimously with those present.

Senator Dover moved that HB 716 be placed on the table. Chairman Roskie informed Senator Dover that HB 716 was not up for discussion today and Senator Dover withdrew his motion.

DISPOSITION OF HB 733: Mr. Gordon McGowen, Montana Railroad Association, presented some amendments to HB 733 for the Com-

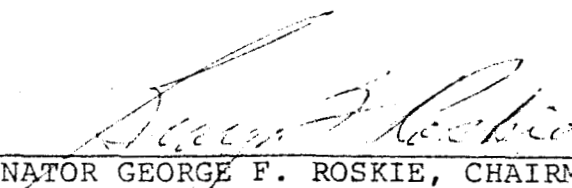
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mittee's consideration. Senator Jergeson moved the proposed amendments be adopted. There was some discussion about the amendments and then Senator Roskie called for the vote on Senator Jergeson's motion. All those present voted in favor of the motion with the exception of Senator Brown.

Senator Manley moved to amend HB 733 on page 9, line 16 by striking "interested" following "persons" and inserting "directly affected". Senator Dover seconded the motion. The motion passed unanimously.

Senator Jergeson moved that HB 733 BE CONCURRED IN as Amended. Chairman Roskie called for a roll call vote and the motion failed (see attachment). Senator Lockrem made a substitute motion that HB 733 BE NOT CONCURRED IN as Amended and to have the vote reversed from the previous motion. The motion carried (see attachment).

ADJOURNMENT: There being no further business, the meeting adjourned at 3:00 P.M.



SENATOR GEORGE F. ROSKIE, CHAIRMAN

1

ROLL CALL

Natural Resources COMMITTEE

46th LEGISLATIVE SESSION - 1979

NAME	PRESENT	ABSENT	EXCUSED
ROSKIE, George F., Chairman	✓	1/2	
DOVER, Harold L., Vice-Chairman	✓		
BROWN, Steve	✓	1/2	
ETCHART, Mark	✓		
JERGESON, Greg	✓		
LOCKREM, Lloyd C., Jr.	✓		
LOWE, William R.	✓		
MANLEY, John E.	✓		
STORY, Pete	✓	1/2	
THIESSEN, Cornie R.		✓	

Each Day Attach to Minutes.

STANDING COMMITTEE REPORT

March 16, 19 79

MR. President

We, your committee on Natural Resources

having had under consideration House Bill No. 717

Bardanouve (Brown)

Respectfully report as follows: That House Bill No. 717, third reading bill, be amended as follows:

1. Page 1, line 21.

Following: "project"

Insert: "to the state of Montana"

2. Page 2, line 1.

Strike: "abandon OR OTHERWISE"

Following: "project"

Insert: "as provided in [section 3]"

3. Page 2, line 3.

Following: "department."

Insert: "If the department is not able to dispose of the project as provided in [section 3], then the project shall be abandoned as provided in [section 4]."

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BO-PASS

(Continued)

4. Page 2.

Following: line 15.

Insert: "Section 3. Disposition of project. (1) Prior to July 1, 1982, the department may dispose of the Daly ditch water project by transfer, sale, or other legal conveyance to a person legally qualified to enter into contracts and operate and maintain the project. Preference shall be given to an organization of project water users formed to operate the project.

(2) Upon conveyance of the project, the department shall transfer all water rights, real property, personal property, equipment, fixtures, headgates, structures, canals, dikes, lateral ditches, dams, and reservoirs related to the project.

(3) If the department has entered into an agreement to transfer the project prior to July 1, 1982, but the actual transfer has not been effectuated prior to July 1, 1982, the department shall not abandon the project as provided in [section 4] until December 31, 1982."

5. Page 2, line 16.

Following: "Section"

Strike: "3"

Insert: "4"

6. Page 2, line 16.

Strike: "DISPOSITION"

Insert: "Abandonment"

Following: "(1)"

Strike: "(A)"

7. Page 2, lines 17 and 18.

Strike: lines 17 and 18 in their entirety

Insert: "If the project is not disposed of as provided in [section 3], the department shall abandon the project no later than December 31, 1982."

8. Page 2, line 19.

Strike: "(B)"

Insert: "(2)"

9. Page 2, line 23.

Strike: "(C)"

Insert: "(3)"

10. Page 3, lines 2 through 23.

Strike: lines 2 through 23 in their entirety

11. Page 3, line 24.

Strike: "(D)"

Insert: "(3)"

(continued)

12. Page 4.

Following: line 1.

Insert: "Section 5. Operation and maintenance."

13. Page 4, line 2.

Strike: "(3)"

Following: "OPERATE"

Insert: "and maintain"

14. Page 4, line 3.

Strike: "1981"

Insert: "1982"

15. Page 4, lines 3 and 4.

Strike: "IF EARLIER THAN JULY 1, 1981"

Insert: "or abandoned as provided in this act"

16. Page 4, lines 5, 15 and 23.

Renumber these sections accordingly

17. Page 5, after line 3.

Insert: "Section 9. Advisory council. (1) The department shall appoint an advisory council comprised of 3 legislators from Ravalli County and 3 representatives of the Daly ditch water users. In addition, the department may appoint one additional legislator to serve on the advisory council.

(2) The advisory council shall make recommendations concerning the disposition of the project pursuant to the provisions of this act, repair of the project and all questions of operation and maintenance.

(3) The advisory council shall be created as provided in 2-15-122, MCA.

(4) The advisory council terminates no later than December 31, 1982."

18. Page 5, lines 4 and 10.

Renumber these sections accordingly

60.
And, as so amended,
BE CONCURRED IN

STANDING COMMITTEE REPORT

March 19, 1979

MR. President

We, your committee on Natural Resources

having had under consideration Statement of Intent, House Bill No. 329

Respectfully report as follows: That Statement of Intent, House Bill No. 329 be adopted.

STATEMENT OF INTENT RE: HB 329

Because section 16 of this bill delegates authority to the governor to adopt administrative rules, this statement of intent is attached to the bill pursuant to 5-4-404, MCA.

Rules adopted under section 16 may include guidelines for determining the types and extent of limitations to be placed on energy use when a curtailment of essential services or production of essential goods has or will take place as the result of an

XXXXX
DO PASS

(Continued)

existing or imminent shortage of energy, thereby causing an energy emergency to be declared.

Further, the rules adopted may include guidelines concerning actions required to be taken to reduce energy use when a condition of energy supply will affect significantly the availability of essential energy supplies under the declaration of an energy supply alert. The rules may also include guidelines used in determining whether supply conditions warrant a condition of energy supply alert or energy emergency to be declared by the governor.

All rules adopted pursuant to this bill shall be with the advice of the energy policy committee established by this bill.

First adopted by the Senate Natural Resources Committee on March 19, 1979.

3A.

STANDING COMMITTEE REPORT

March 16, 1979

MR. President

We, your committee on Natural Resources

having had under consideration House Bill No. 329

Shelden (Jergeson)

Respectfully report as follows: That House Bill No. 329,
third reading bill, be amended as follows:

1. Title, line 1.

Following: "AN ACT"

Strike: lines 4 through 7 in their entirety.

Insert: "TO REESTABLISH THE PROVISIONS OF CHAPTER 577, LAWS OF MONTANA, 1977, CONCERNING THE ENERGY SUPPLY ALERT AND VESTING ENERGY EMERGENCY POWERS IN THE GOVERNOR: AND PROVIDING AN EFFECTIVE DATE."

2. Page 1.

Strike: all of the bill following the enacting clause.

Insert: "Section 1. Legislative findings and intent. (1) The legislature finds that energy in various forms is increasingly subject to possible shortages and supply disruptions, to the point that there may be foreseen an emergency situation, and that without the ability to gather information, formulate plans, and institute appropriate emergency measures to reduce or allocate the usage of energy through a program of mandatory usage curtailment or allocation, a severe impact on the health, safety, and general welfare of our state's citizens may occur. The

(Continued)

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prevention or mitigation of the effects of such energy shortages or disruptions is necessary for preservation of the public health and welfare of the citizens of this state.

(2) It is the intent of [this act] to:

(a) establish necessary planning, information gathering, and energy emergency powers for the governor and define the conditions under which such powers are to be exercised;

(b) provide penalties for violations of [this act].

Section 2. Definitions. As used in [this act], the following definitions apply:

(1) "Energy facility" means a facility which produces, extracts, converts, transports, or stores energy.

(2) "Energy" means petroleum or other liquid fuels, natural or synthetic fuel gas, or electricity.

(3) "Person" means an individual, partnership, joint venture, private or public corporation, cooperative, association, firm, public utility, political subdivision, municipal corporation, government agency, joint operating agency, or any other entity, public or private, however organized.

(4) "Committee" means the energy policy committee established in section 3.

(5) "Distributor" means any person, private corporation, partnership, producer, individual

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proprietorship, public utility, joint operating agency or cooperative which engages in or is authorized to engage in the activity of generating, producing, transmitting, or distributing energy in this state.

(6) "Energy emergency" means an existing or imminent domestic, regional, or national shortage of energy which will result in curtailment of essential services or production of essential goods, or the disruption of significant sectors of the economy unless action is taken to conserve or limit the use of the energy form involved, and the allocation of available energy supplies among users.

(7) "Energy supply alert" means a condition of energy supply on a national, regional, state, or local basis which foreseeably will affect significantly the availability of essential energy supplies within the ensuing 90-day period unless action is taken under section 9 to reduce energy usage by state agencies and political subdivisions.

Section 3. Energy policy committee. There is established a legislative energy policy committee which consists of eight members. The members shall consist of the president of the senate and the floor leader of the opposite party in the senate and the speaker and minority leader of the house of representatives. Each leadership member shall designate one additional member within 15 days following the close of each session.

Section 4. Supply of vital public services during an energy supply alert and energy emergency. The governor shall, with the advice of the committee, in developing provisions for the allocation, conservation, and consumption of energy, give due consideration to supplying vital public services such as essential governmental operations, health and safety functions, emergency services, public mass transportation systems, food production and processing facilities, and energy supply facilities during conditions of an energy supply alert or energy emergency. In developing any energy allocation programs, provisions shall be made for the equitable distribution of energy among the geographic areas of the state which are experiencing an energy shortage.

Section 5. Information obtainable by governor. (1) The governor may obtain information from energy resource producers, suppliers, public agencies, and consumers and from political subdivisions in this state necessary for him, with advice of the committee, to determine the need for energy supply alert and emergency declarations. Such information may include but is not limited to:

- (a) sales volumes by customer classifications;
- (b) forecasts of energy resource requirements for the particular type of energy involved for a period not to exceed 2 years; and

(c) inventory of energy resources and reserves available for use in meeting a shortage in a particular energy source.

(2) In obtaining information under subsection (1) of this section during a state of energy emergency the governor may subpoena witnesses, material, and relevant books, papers, accounts, records, and memoranda; administer oaths; and cause the depositions of persons residing within or without Montana to be taken in the manner prescribed for depositions in civil actions in district courts, to obtain information relevant to energy resources that are the subject of the proclaimed emergency or associated disaster.

(3) In obtaining information under this section, the governor shall:

(a) seek to avoid eliciting information already furnished by a person or political subdivision in this state to a federal, state, or local regulatory authority that is available for his study; and

(b) cause reporting procedures, including forms, to conform to existing requirements of federal, state, and local regulatory authorities.

(4) Nothing in the act requires the disclosure by a distributor of confidential information, trade secrets, or other facts of a proprietary nature.

(5) The governor shall forward to the committee such

information collected under this section as the committee may request and shall advise the committee of the progress of the information gathering process.

Section 6. Advice of distributors and consumers. The governor shall actively solicit the advice of consumers, through the legislative consumer committee established in 5-15-101, and of distributors throughout the information gathering, planning, and implementation process described in [this act].

Section 7. Submission and approval of curtailment plans. (1) The governor may at any time require a distributor of an energy resource to prepare for his approval a plan for the curtailment of the distribution of that resource in the event of a state of energy emergency. Plans shall be submitted in such form and within such limits as the governor shall specify, and shall recognize the obligations and duties which may be placed upon distributors subject to [this act] by other jurisdictions, both state and federal.

(2) Approval of plans for curtailment shall be based on the following factors:

(a) the consistency of the plan with the public health, safety, and welfare;

(b) the technical feasibility of implementation of the plan;

(c) the effectiveness with which the plan minimizes the impact of any curtailment;

(d) the needs of commercial, agricultural, retail, professional, and service establishments whose normal function is to supply goods or services, or both, of an essential nature, including but not limited to food, lodging, fuel, and medical care facilities;

(e) the regional agreements or contracts of the distributors; and

(f) the advice of the committee.

Section 8. Governor's considerations. In determining whether to declare an energy supply alert or energy emergency, the governor shall consider:

(1) availability of regional and national energy resources;

(2) local, state, regional, and national energy needs and shortages;

(3) availability of short-term alternative supplies on a local, state, regional, and national basis;

(4) the economic effect of such declaration and the implementation of any curtailment or conservation plans;

(5) the advice of the committee; and

(6) any other relevant factors.

Section 9. Energy supply alert. (1) The governor may upon finding that an energy alert condition exists, declare

the same for a period of not longer than 90 days, setting forth the reasons therefor. Such declaration may be renewed for 90-day periods thereafter upon a finding that the energy alert condition will continue for such further period.

(2) Whenever the governor has declared an energy supply alert, he may by executive order direct actions:

(a) reducing energy resource usage by state agencies and political subdivisions;

(b) promoting conservation, prevention of waste and salvage of energy resources and the materials, services, and facilities derived therefrom or dependent thereon, by state agencies and political subdivisions.

Section 10. Emergency energy -- powers of governor. In addition to his existing powers and duties, the governor shall have the following duties and special energy emergency powers subject to the definitions and limitations in [this act]:

(1) The governor with the advice of the committee may, upon finding that a situation exists which threatens to seriously disrupt or diminish energy supplies to the extent that life, health, or property may be jeopardized, declare a condition or state of energy emergency, at which time all of the general and specific emergency powers further enumerated in this section shall become effective.

(2) The condition of energy emergency terminates after

14 consecutive days unless extended by a declaration of the legislature by joint resolution of a continuing condition of energy emergency of a duration to be established by the legislature.

(3) The conditions of an energy emergency alternatively cease to exist upon a declaration to that effect by either of the following:

- (a) the governor; or
- (b) the legislature, by joint resolution if in regular or special session.

(4) In a declared state of energy emergency, the governor may, with the advice of the committee:

(a) implement such programs, controls, standards, priorities, and quotas for the production, allocation, conservation, and consumption of energy, including plans for the curtailment of energy; provided that in so doing, the governor shall impose controls, quotas, or curtailments according to the nature of the end use to be made of the energy consistent with existing transmission and distribution systems serving the geographic area affected by the energy emergency;

(b) suspend and modify existing pollution control standards and requirements or any other standards or requirements affecting or affected by the use of energy, including those relating to air or water quality control;

and

(c) establish and implement regional programs and agreements for the purposes of coordinating the energy programs and actions of the state with those of the federal government and of other states, localities, and other persons.

(5) Nothing in [this act] means that any program, control, standard, priority quota, or other policy created under the authority of the emergency powers authorized by [this act] has any continuing legal effect after the cessation of a declared state of energy emergency.

(6) Because of the emergency nature of [this act], all actions authorized or required hereunder or taken pursuant to any order issued by the governor are exempted from all requirements and provisions of the Montana Environmental Policy Act of 1971, including but not limited to the requirement for environmental impact statements.

(7) Except as provided in this section, nothing in [this act] exempts a person from compliance with the provisions of any other law, rule, or directive unless specifically ordered by the governor, or unless impossibility of compliance is a direct result of an order of the governor.

Section 11. Obligations of state and local executives.
To protect the public welfare during conditions of energy

alerts or emergencies, the chief executive of each political subdivision of the state, including local governments with self-government power, and each state agency shall carry out in its jurisdiction such energy supply alert or energy emergency measures as may be ordered by the governor.

Section 12. Coordination with federal provisions. In order to attain uniformity, as far as is practicable throughout the country in measures taken to aid in energy crisis management, all action taken under [this act] and all orders and rules made pursuant to it shall be taken or made with due consideration for and consistent when practicable with the orders, rules, actions, recommendations, and requests of federal authorities.

Section 13. Compliance. Notwithstanding any provision of law or contract to the contrary, all persons who are specifically ordered by the governor with the advice of committee to comply with an order issued or action taken pursuant to [this act] shall comply.

Section 14. Orders to distributors. The governor may order any distributor to take such action on his behalf as may be required to implement orders issued pursuant to section 10 and no distributor or person is liable for actions taken in accordance with such order.

Section 15. Liability. No distributor or person is liable for damages to persons or property resulting from

action taken in accordance with orders or rules issued pursuant to [this act] or actions taken pursuant to orders, rules, actions, recommendations, and requests of federal authorities.

Section 16. Rules and executive orders. Notwithstanding the exemption from the provisions of the Montana Administrative Procedure Act granted to the governor in Title 2, chapter 4, MCA, the governor may adopt rules necessary to implement [this act] and cause their adoption and publication to be completed in the same manner as the adoption and publication of agency rules. In addition, executive orders of the governor implementing provisions of [this act] shall be published in the Montana Administrative Register upon request of the governor.

Section 17. Civil defense laws supplemented. The powers vested in the governor under [this act] are in addition to and not in lieu of emergency powers vested in him under Title 10, chapter 3, or any other law of Montana.

Section 18. Governor may authorize expenditure. The governor may authorize the incurring of liabilities and expenses to be paid as other claims against the state from the general fund, in the amount necessary, when an energy emergency is declared by the governor and justifies the expenditure as set forth in 10-3-311 for other emergency or disaster expenditures.

Section 19. Penalties. A person convicted of violating [this act] is guilty of a misdemeanor. Each day of violation, after notice of violation, constitutes a separate offense.

Section 20. Severability. If a part of this act is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this act is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

Section 21. Period of effectiveness. This act is effective on passage and approval and remains in effect until July 1, 1985. "

G.A.
And, as so amended,
BE CONCURRED IN

SENATE COMMITTEE NATURAL RESOURCES

Date March 16, 1979 House Bill No. 329 Time

NAME	YES	NO
ROSKIE, George F., Chairman		✓
DOVER, Harold L., Vice-Chairman	✓	
BROWN, Steve	✓	
ETCHART, Mark	✓	
JERGESON, Greg	✓	
LOCKREM, Lloyd C., Jr.		✓
LOWE, William R.		✓
MANLEY, John E.	✓	
STORY, Pete	ABSTAINED	
THIESSEN, Cornie R.		

SHARON NASON
Secretary

SN

GEORGE F. ROSKIE
Chairman

GR

Motion: By Senator Dover to amend HB 329 on page 3, line 20, by
changing the 4 members to 8 members.

(include enough information on motion—put with yellow copy of committee report.)

SENATE COMMITTEE NATURAL RESOURCES

Date March 16, 1979 House Bill No. 329 Time

NAME	YES	NO
ROSKIE, George F., Chairman	✓	
DOVER, Harold L., Vice-Chairman	✓	
BROWN, Steve	✓	
ETCHART, Mark	✓	
JERGESON, Greg	✓	
LOCKREM, Lloyd C., Jr.		✓
LOWE, William R.	✓	
MANLEY, John E.		✓
STORY, Pete		✓
THIESSEN, Cornie R.		

SHARON NASON
Secretary

SN

GEORGE F. ROSKIE
Chairman

GR

Motion: By Senator Lowe that HB 329 BE CONCURRED IN as Amended

(include enough information on motion--put with yellow copy of committee report.)

SENATE COMMITTEE NATURAL RESOURCES

Date March 16, 1979 House Bill No. 733 Time

NAME	YES	NO
ROSKIE, George F., Chairman	✓	
DOVER, Harold L., Vice-Chairman		✓
BROWN, Steve	✓	
ETCHART, Mark		✓
JERGESON, Greg	✓	
LOCKREM, Lloyd C., Jr.		✓
LOWE, William R.	✓	
MANLEY, John E.		✓
STORY, Pete		✓
THIESSEN, Cornie R.		

SHARON NASON SA
Secretary

GEORGE F. ROSKIE GR
Chairman

Motion: By Senator Jergeson that HB 733 BE CONCURRED IN as
Amended.

(include enough information on motion--put with yellow copy of committee report.)

SENATE COMMITTEE NATURAL RESOURCES

Date March 16, 1979 House Bill No. 733 Time

NAME	YES	NO
ROSKIE, George F., Chairman		✓
DOVER, Harold L., Vice-Chairman	✓	
BROWN, Steve		✓
ETCHART, Mark	✓	
JERGESON, Greg		✓
LOCKREM, Lloyd C., Jr.	✓	
LOWE, William R.		✓
MANLEY, John E.	✓	
STORY, Pete	✓	
THIESSEN, Cornie R.		

SHARON NASON *SN*
Secretary

GEORGE F. ROSKIE *GFR*
Chairman

Motion: By Senator Lockrem that HB 733 BE NOT CONCURRED IN as
Amended.

(include enough information on motion--put with yellow copy of committee report.)

COMMITTEE

VISITORS' REGISTER

DATE 7/1/68

(check one)

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY

NAME: Gene Phillips DATE: 3/16/79

ADDRESS: Kalispell, Mont.

PHONE: 255-6644

REPRESENTING WHOM? Pacific Power & Light

APPEARING ON WHICH PROPOSAL: HB 329

DO YOU: SUPPORT? X AMEND? _____ OPPOSE? _____

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: CA (Bice) Briggs DATE: 3/16/79

ADDRESS: Polson MT

PHONE: 883-4146

REPRESENTING WHOM? Mont. Wilderness Assn

APPEARING ON WHICH PROPOSAL: HLR :)

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? X

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Leonard R. Leggett DATE: _____

ADDRESS: Cowen Springs MT 59021

PHONE: 443-2520

REPRESENTING WHOM? EIC

APPEARING ON WHICH PROPOSAL: HJR 6

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? ☒

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Bill CUNNINGHAM DATE: 3/16/79

ADDRESS: Box 1184 Helena, MT

PHONE: 443-~~63~~7350

REPRESENTING WHOM? THE WILDERNESS SOCIETY

APPEARING ON WHICH PROPOSAL: HJR 6

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? X

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Charlotte K. Eads DATE: 3-16-79

ADDRESS: 1600 39th St. Minneapolis

PHONE: _____

REPRESENTING WHOM? Walden group - Minnesota

APPEARING ON WHICH PROPOSAL: HJR 6

DO YOU: SUPPORT? _____ AMEND? _____ OPPOSE? X

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Bob B. Weist DATE: 3/16

ADDRESS: 7 Edwards Wilson

PHONE: 443-5711

REPRESENTING WHOM? MT Assn of Conservation Districts
MT Assn of State Grazing Districts

APPEARING ON WHICH PROPOSAL: HJR 6

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME:

Janette Fallan

DATE:

3/16

ADDRESS:

Belena

PHONE:

2-2405

REPRESENTING WHOM?

Mont Chamber

APPEARING ON WHICH PROPOSAL:

HR6

DO YOU:

SUPPORT?

☒

AMEND?

OPPOSE?

COMMENTS:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Peter Jackson DATE: 3-16-79

ADDRESS: 1804 11th AVE Helena

PHONE: 443-5541

REPRESENTING WHOM? Weta MND

APPEARING ON WHICH PROPOSAL: HJR 6

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Gordon McElwan DATE: 3/16-79

ADDRESS: Highwood Mont

PHONE: 733-2541

REPRESENTING WHOM? Self

APPEARING ON WHICH PROPOSAL: HB 733

DO YOU: SUPPORT? X AMEND? X OPPOSE?

COMMENTS:

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: FRANK Dunkle DATE: 3-16-79

ADDRESS: 2030 11th Ave, Helena

PHONE: 443-7287

REPRESENTING WHOM? Mt. Mining Assoc

APPEARING ON WHICH PROPOSAL: ASR 6

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENTS: Need state in-pit and
control of Federal action

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: Don Allen DATE: 2/14/71

ADDRESS: 1802 - 1/2 E 24th St. N.W. 5:00/

PHONE: 442-7582

REPRESENTING WHOM? Wm. J. R. R. R. R. R.

APPEARING ON WHICH PROPOSAL: HJR 6 4/8 329

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

NAME: BOB HELDING DATE: 3-16-79

ADDRESS: COLONIAL INN - Helena

PHONE: 443-2130

REPRESENTING WHOM? MONTANA WOOD PRODUCTS ASSOC.

APPEARING ON WHICH PROPOSAL: HSR L

DO YOU: SUPPORT? ☒ AMEND? ☐ OPPOSE? ☐

COMMENTS: _____

PLEASE LEAVE ANY PREPARED STATEMENTS WITH THE COMMITTEE SECRETARY.

Wilderness: How Much is Needed?

Since passage of the 1964 Wilderness Act:

☐ 16.6 million acres of federal land (25,900 square miles) have been designated by Congress for Wilderness preservation—about equal to the combined land area of New Hampshire, Massachusetts and Vermont.

☐ 14.8 million of these acres (23,100 square miles) are in the National Forests, with the remainder in National Parks and Wildlife Refuges.

☐ An additional 2.9 million acres of National Forest land (4,500 square miles) are set aside in Primitive areas for eventual Wilderness classification.

☐ Still another 60+ million acres (100,000 square miles) of National Forest land in RARE II may not be used for multiple use, pending completion of administrative or legislative action. The commercial timber areas of these lands have an annual potential yield of 6 billion board feet—enough wood to build some 512,000 new single-family houses every year, the National Forest Products Association estimates.

☐ In spite of the intensive RARE II study process, Congress continues to consider and enact legislation to designate additional National Forest land for Wilderness and Wilderness study. Such are the cases with the Endangered American Wilderness Act, signed into law Feb. 24, 1978 (see pages 9-10 in booklet) and the Montana Wilderness Study Act, signed into law Nov. 1, 1977. The Montana Wilderness Study Act withdraws 973,000 acres of National Forest land for Wilderness study for a period of five years, with an additional two years for the Administration to report to Congress.

☐ The Forest Service estimates there are 472,477 acres of commercial forest land in the Montana Wilderness study. The estimated potential timber yield is about 50 million board feet annually—enough volume to supply three good sized sawmills and provide direct employment for an additional 700 people. This acreage has the potential of producing enough lumber to build almost 4,300 average single-family homes yearly. This is more than enough to replace all residential housing in Missoula—one of the largest cities in Montana—during the five-year period of Wilderness study called for in the Act.

☐ The state of Montana already has approximately 2.7 million acres in the Wilderness system. An additional 6.9 million acres of Montana's National Forests are included in RARE II—thereby classifying 57% of all National Forest lands in Montana as Wilderness, Wilderness study areas or part of RARE II.

Montana Wilderness Acreage USFS

Absaroka Beartooth	904,500
Anaconda-Pintlar	157,874
Bob Marshall	1,009,356
Cabinet Mountains	94,272
Gates of the Mountains	28,562
Great Bear	285,711
Mission Mountains	73,877
Scapegoat	239,296
Selway Bitterroot	251,930
Welcome Creek	28,440

Total	3,073,818
-------	-----------

National Parks

Glacier	1,013,318
Yellowstone	151,068
TOTAL	1,164,386

U.S. Fish & Wildlife Wilderness Acreage

Red Rocks	32,350
U. L. Bend	20,890
Medicine Lake	11,800
Total	65,040

Legislated Wilderness Study Areas

West Pioneers	151,000
Taylor-Hilgard	289,000
Bluejoint	61,000
Sapphire	94,000
Ten Lakes	34,000
Middle Fork Judith	81,000
Big Snowies	91,000
Hyalite	151,000
Elkhorn	77,000

Total	1,029,000
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Bureau of Land Management Primitive Areas

Centennial Mountains	27,000
Humbug Spires	7,021
Beartrap Canyon	4,479
Total	38,500

U.S. Forest Service Primitive Area

Spanish Peaks Wilderness proposal	63,300
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U.S. Forest Service RARE II Proposal

Wilderness	603,381
*Further Planning	179,428
Total	782,809

*Does not include congressionally designated Wilderness study areas.

Forest Service

A FOREST PRODUCTS INDUSTRY ALTERNATIVE TO THE
FOREST SERVICE RARE II LAND ALLOCATION PROPOSAL
FOR THE NATIONAL FORESTS OF MONTANA

By
The Forest Products Industry of Montana

The Montana forest products industry is offering this alternative to the RARE II land allocation recommendation made by the U.S. Forest Service in their January 4 Final Environmental Impact Statement (FEIS). The Forest Service recommendation has included significant amounts of commercial forest lands which are needed to sustain some members of Montana's forest products industry. We feel that some of the recommendations that have been made by the Forest Service fly in the face of their policy of protecting community stability. It has been stated many times by the Forest Service, the Governor, Congressional delegates and members of Wilderness advocacy groups, that Wilderness classification should not jeopardize the stability of timber dependent communities. The Forest Service proposal includes areas which do threaten the stability of some Montana communities. We are therefore recommending changes that we feel are critical to the survival of some members of our forest products industry and therefore the communities that are dependent upon them.

The Forest Service recommendation includes significant amounts of commercial forestlands (CFL) which will create difficulty in allowing the Forest Service to attain their long range goals under

the Resource Planning Act (1975). Of immediate concern is that it will also add to critical timber supply problems in a number of communities which are dependent upon national forest timber to sustain their local economy. Examples, include Seeley Lake, Superior, and Darby in Montana; and Salmon, and Elk City in Idaho.

Our alternative proposal has been developed to modify the Forest Service recommendation in a manner which will allow adding a large area of quality Wilderness in Montana while reducing the economic impact on dependent communities. We have utilized the following basic criteria in developing our recommendations:

1. No RARE II areas with significant amounts of commercial forest land (CFL) should be classified as Wilderness or "further planning".
2. No areas should be left in "further planning" except those Wilderness candidate study areas designated by Congress.
3. The Resource Planning Act (RPA) national goals for forest resource utilization established in 1975 should be achieved.
4. The concept of Wilderness "quality" and not "quantity" should be basic to the entire process.
5. All deliberation on land use classification in the RARE II process should include only areas formally included in the RARE II inventory.
6. The Montana forest products industry recognizes and supports the concept of multiple use management in the national forests and includes Wilderness as one of those uses.

7. The size and health of the forest products industry in Montana in general is directly proportional to the amount of potential yield that remains available for timber management. Potential yield correlates closely with the amount of commercial forest land.
8. The timber industry is concerned about the buffer zone effects of establishing additional wilderness. There is a tendency to apply very severe restraints on commercial activities in multiple use forests near Wilderness areas.
9. There is concern that Wilderness areas will be ruled Zone I under the Clean Air Act and there will be stringent measures taken to protect Wilderness area purity by restricting future industry growth and some standard forest management practices.
10. Timber supply shortages do not confine themselves to local areas. Timber shortages increase the competition for timber in adjacent areas spreading the shortage to adjacent areas.
11. Substantial acreages will be classified as Wilderness in the legislated Wilderness candidate study areas reducing the need for classification of RARE II areas.
12. Forest Service land use plans will restrict the commercial forest land base causing additional reductions in timber supply.

13. Prior to making a final classification, the land use needs of all potential user groups must be considered and demands of any single user group, including the timber interests, should not dominate or preclude the basic multiple use concept. Areas identified by the forest products industry as candidates for Wilderness may have other commodity or motorized recreational value which should eliminate their selection for such classification.

Table 1 summarizes a comparison of the Forest Service recommendation, the Governor's recommendation, and the forest products industry proposals:

Table 1
IFRC
January 29, 1979

ECONOMIC IMPACT COMPARISON

	<u>Acres</u>	<u>Potential Yield MMBF/Yr.</u>	<u>Jobs Lost/Yr.</u>	<u>County Revenues Lost (M\$)/Yr.</u>
Wilderness				
Forest Service	595,481	31.3	657.3	545.3
Governor	600,744	34.0	714.0	549.8
Forest Products Industry	270,378	13.0	273.0	230.8
Further Planning				
FS	1,124,278	38.7	812.7	628.8
Governor ^{a/}	946,850	32.6	684.6	526.5
Forest Products Industry ^{a/}	946,850	32.6	684.6	526.5
Wilderness & Further Planning				
Forest Service	1,719,759	70.0	1,470.0	1,175.1
Governor	1,715,090	66.6	1,398.6	1,075.3
Forest Products Industry	1,217,228	45.6	957.6	757.3

^{a/} The Governor and the forest products industry did not recommend any further planning areas, but, legislated Wilderness candidate study areas are included for comparison.

Our alternative proposal will reduce the long term economic impact of additional Wilderness and further planning classifications in the State of Montana by 512 jobs (direct and indirect), and return an additional \$417 thousand to local government while reducing the Montana RARE II Wilderness recommendation by 325.1 M acres. It would reduce the Governor's Wilderness proposal by 330.4 M acres and provide an additional 441 jobs and \$319,000 in county revenues.

The sale of national forest timber provides an important source of money for counties through the 25% fund. Any reduction in timber sale programs caused by classification of RARE II areas will cause a corresponding drop in county funding. Since this source of funds does not come from tax dollars it would seem to be important to retain this source of funding during times of taxpayer revolt. According to Forest Service FY 1978 records, each million feet of timber harvested in Region 1 should produce about \$16,180 in 25% funds. In nearly all cases 25% fund payments produced a greater income from counties than the in lieu tax payments made to county governments.

The site specific industry recommendation attached represents a thorough analysis of the roadless areas and their potential to produce a timber crop. Professional foresters from forest products companies throughout Montana have participated in this review. With the cooperation of the Forest Service, a substantial data base has been developed which will be shared with you and your staff upon request.

It should be stressed that we are concerned with developing a realistic and socially responsible resolution to the RARE II process.

Our alternative takes into account the economic impacts related only to timber. Other commodities and recreational uses of the national forests are not reflected in our recommendation. It is our sincere hope that other involved user groups, governmental agencies and primary political leaders will consider our recommendation in this light.

U.S. FOREST SERVICE RARE II RECOMMENDATION FOR WILDERNESS FOR MONTANA
ECONOMIC IMPACT RELATED TO THE TIMBER INDUSTRY

REA	GROSS ACRES	CFL ACRES ^{b/}	POTEN YIELD HMBF/YR. ^{b/}	JOB ^{c/} LOST/YR. ^{c/}	PAYROLL LOST/YR. ^{d/}	TIMBER VALUE LOST PER YR. MS ^{b/}	COUNTY REVENUE LOST PER YEAR MS ^{e/}
otchman Peak 1662	36,727	15,057	2.5	52.5	630.0	205.0	51.3
odoo D, Q301	77,797	49,162	5.8	121.8	1,461.6	475.6	118.9
ilian Peak 11945	12,996	1,113	.1	2.1	25.2	5.8	1.5
gg Peak Q1807	60,050	57,964	1.3	27.3	327.6	106.6	26.7
t Pioneer 01008	94,091	54,151	3.4	24.4	292.8	61.4	15.4
t Water Canyon 1362	9,800	55,059	0	0	0	0	0
gue River Breaks 1373	16,600	2,560	0	0	0	0	0
nhead 01963	22,400	3,966	.3	6.3	75.6	17.4	4.4
ublic Mtn. 01545	700	233	0	0	0	0	0
f 01914	700	233	0	0	0	0	0
th Big Hole 1001	6,532	916	.4	8.4	100.8	23.2	5.8
ft Cr. 01065	700	696	.1	2.1	25.2	5.8	1.5
dle Cr. 01066	1,100	1,100	.1	2.1	25.2	5.8	1.5
rm Lake 01427	9,700	1,829	.1	2.1	25.2	5.8	1.5
arwater-Monture Z 1485	108,504	77,515	10.4	218.4	2,620.8	852.8	213.2

U.S. FOREST SERVICE RARE 11 RECOMMENDATION FOR WILDERNESS FOR MONTANA
ECONOMIC IMPACT RELATED TO THE TIMBER INDUSTRY

AREA	GROSS ACRES	CFL ACRES ^{b/}	POTEN YIELD MMBF/YR. ^{b/}	JOBS LOST/YR. ^{c/}	PAYROLL LOST/YR. ^{d/}	TIMBER VALUE LOST PER YR. MS ^{b/}	COUNTY REVENUE LOST PER YEAR MS ^{e/}
Over King Falls -1485	32,000	8,901	3.2	67.2	806.4	185.6	46.4
Shaw Mtn. V.W 1485	31,304	7,390	2.1	44.1	529.2	105.0	26.3
AY Cr. A1676	7,301	2,153	.2	4.2	50.4	16.4	4.1
inet Face West 1670	6,866	4,526	.4	8.4	100.8	32.8	8.2
inet Face East (West) C1681	376	376	.1	2.1	25.2	8.2	2.1
ppewa Cr. 01682	1,037	319	.1	2.1	25.2	8.2	2.1
Log W1610	10,000	2,757	0	0	0	0	0
Way Bitterroot anyons S18AA	12,800	5,692	.1	2.1	25.2	8.2	2.1
dgett Canyon 061	9,600	2,197	0	0	0	0	0
th Fork Lost orse 01062	7,800	1,973	0	0	0	0	0
uper Cr. 01063	2,500	1,545	0	0	0	0	0
on Lake 01064	2,900	1,318	0	0	0	0	0
ow Cr. M1845	12,600	5,040	.6	12.6	151.2	49.2	12.3
TOTALS	595,481	315,741	31.3	657.3	7,323.6	2,178.8	545.3

U.S. FOREST SERVICE RARE II RECOMMENDATION FOR FURTHER PLANNING
ECONOMIC IMPACT RELATED TO THE TIMBER INDUSTRY

AREA	GROSS ACRES	CFL ACRES ^{b/}	POTEN YIELD HMBF/YR. ^{b/}	JOBS LOST/YR. ^{c/}	PAYROLL LOST/YR. ^{d/}	TIMBER VALUE LOST PER YR. HMB/ ^{e/}	COUNTY REVENUE LOST PER YEAR MS ^{e/}
horn A, E1620	85,800	57,560	2.1	44.1	529.2	121.8	30.5
Snowies							
B, S 1739	121,700	100,455	4.4	92.4	1,108.8	255.2	63.8
Joint A1941	61,400	57,828	1.2	25.2	302.4	98.4	24.6
lite G,H 1548	151,000	32,739	2.7	56.7	680.4	156.6	39.2
tle Fk. Judith							
734	92,200	80,233	4.9	102.9	1,234.8	284.2	71.1
Henry 01666	21,000	18,206	2.9	60.9	730.8	237.8	59.5
hires 01421	42,600	39,474	2.5	52.5	630.0	205.0	51.3
son E,N,S 1549	189,000	54,725	4.9	102.9	1,234.8	284.2	71.1
Lakes 01683	34,000	14,030	2.3	48.3	579.6	188.6	47.2
Pioneer 01006	148,150	78,640	4.7	98.7	1,184.4	272.6	68.2
Sub-Total ^{f/}	946,850	533,890	32.6	684.6	8,215.2	2,104.4	526.5
le Mt.-Tobacco							
ots B1013	38,100	14,549	.8	16.8	201.6	46.4	11.6
Cr. H,P 1485	27,588	968	.1	2.1	25.2	.2	.1
t Range 01428	52,340	32,899	2.5	52.5	630.0	145.0	36.3
s Lake 01429	9,100	5,071	.1	2.1	25.2	5.8	1.5
lesnake 01801	45,700	19,100	2.5	52.5	630.0	205.0	51.3
Jefferson 01362	4,600	520	.1	2.1	25.2	5.8	1.5
TOTAL	1,124,278	606,997	38.7	812.7	9,752.4	2,512.6	628.8

GOVERNOR'S RARE II RECOMMENDATION FOR WILDERNESS FOR MONTANA
ECONOMIC IMPACT RELATED TO THE TIMBER INDUSTRY

AREA	GROSS ACRES	CFL ACRES ^{b/}	POTEN YIELD MMBF/YR. ^{b/}	JOB ^{c/} LOST/YR. ^{c/}	PAYROLL LOST/YR. ^{d/}	TIMBER VALUE LOST PER YR. MSB/ ^{d/}	COUNTY REVENUE LOST PER YEAR MS ^{e/}
th Big Hole 1001	37,810	33,132	1.6	33.6	403.2	92.8	23.2
arwater-Monture 1485	83,305	63,648	8.5	178.5	2,142.0	527.0	131.8
o Creek D1485	27,800	2,140	.7	14.7	176.4	1.4	0.4
ver King Falls r. F1485	38,300	8,901	3.2	67.2	806.4	185.6	46.4
doe H1301 ^{g/}	55,000	40,000	4.7	98.7	1,184.4	385.4	96.4
shaw Mtn. R1485	27,400	7,080	2.1	44.1	529.2	105.0	26.3
son R1549	43,980	8,758	.8	16.8	201.6	46.4	11.6
ay Bitterroot anyon S1BAA	12,700	5,692	.1	2.1	25.2	8.2	2.1
: Pioneers).008	93,859	54,151	3.4	71.4	856.8	197.2	49.3
lle Mtn.-Tobacco ots 01013	34,640	33,760	.8	16.8	201.6	46.4	11.6
lgett Canyon 061	9,600	2,197	0	0	0	0	0
h Fork Lost rse 01062	7,800	1,973	0	0	0	0	0
on Cr. 01064	2,900	1,318	0	0	0	0	0
t Cr. 01065	700	696	.1	2.1	25.2	5.8	1.5
chman Peaks 662 ^{g/}	40,000	17,000	2.7	56.7	680.4	221.4	55.4

GOVERNOR'S RARE 11 RECOMMENDATION FOR WILDERNESS FOR MONTANA
ECONOMIC IMPACT RELATED TO THE TIMBER INDUSTRY

AREA	GROSS ACRES	CFL ACRES ^{b/}	POTEN YIELD MMBF/YR. ^{b/}	JOBS LOST/YR. ^{c/}	PAYROLL LOST/YR. ^{d/}	TIMBER VALUE LOST PER YR. MS ^{b/}	COUNTY REVENUE LOST PER YEAR MS ^{e/}
Ant Range 01428	52,220	32,899	2.5	52.5	630.0	145.0	36.3
ision Additions 1500-01506	3,130	2,462	.3	6.3	75.6	24.6	6.2
ublic Mtn. 1545	700	233	0	0	0	0	0
attlesnake 01801	27,800	19,100	2.5	52.5	630.0	205.0	51.3
come Cr. Addn. 1306	1,100	972	0	0	0	0	0
TOTAL	599,644	336,113	34.0	714.0	8,568.0	2,197.2	549.8

MONTANA FOREST PRODUCTS INDUSTRY RARE II RECOMMENDATIONS FOR WILDERNESS FOR MONTANA
ECONOMIC IMPACT RELATED TO THE TIMBER INDUSTRY

AREA	GROSS ACRES	CFL ACRES ^{b/}	POTEN YIELD MMBF/YR. ^{b/}	JOB LOST/YR. ^{c/}	PAYROLL LOST/YR. ^{d/}	TIMBER VALUE LOST PER YR. MS ^{e/}	COUNTY REVENUE LOST PER YEAR MS ^{e/}
Richman's Peak 1662	36,727	15,057	2.5	52.5	630.0	205.0	51.3
Woodoo Q1301	27,600	9,000	1.1	23.1	277.2	90.2	22.6
Indian Peak 11945	12,996	1,113	.1	2.1	25.2	5.8	1.5
Water Canyon 1362	9,800	5,059	0	0	0	0	0
Head 01963	20,620	2,900	.3	6.3	75.6	17.4	4.4
Public Mtn. 01545	700	233	0	0	0	0	0
01914	700	233	0	0	0	0	0
Big Hole 001	6,532	916	.4	8.4	100.8	23.2	5.8
Lake 01427	9,700	1,829	.1	2.1	25.2	5.8	1.5
Water Monture Q, Z 1485	47,570	33,930	4.5	94.5	1,134.0	369.0	92.3
haw Mtn. V, V 1485	31,304	7,390	2.1	44.1	529.2	105.2	26.3
net Face West 670	6,866	4,526	.4	8.4	100.8	32.8	8.2
net Face East West) C1681	376	376	.1	2.1	25.2	8.2	2.1
pewa Cr. 01682	1,037	319	.1	2.1	25.2	8.2	2.1
Log W1610	10,000	2,757	0	0	0	0	0
g Peak Q1807	29,500	27,000	.6	12.6	151.2	49.2	12.3
er King Falls 485	18,350	2,000	.7	14.7	176.4	1.4	.4
TOTALS	270,378	114,638	13.0	273.0	3,276.0	721.2	130.8

- b/ USFS RARE II Listing of Timber Resources 4/22/78 -12/1/78.
- c/ Wood Products in Montana, by Maxine Johnson, Montana Business Quarterly, Spring 1972.
- d/ Based on \$12,000 per job per year. ..
- e/ 25% of timber value.
- f/ Total of Legislated Wilderness candidate study areas.
- g/ Data estimated proportionately from F.S. data.

NEWS from the Forest Service

U.S. Department of Agriculture • Forest Service • Northern Region • Federal Building • Missoula, Montana 59807 • (406) 329-1111
R1:1462 122778 FOR IMMEDIATE RELEASE

Forest Service, Northern Region

I.F.R.C.

Payments To States 15.4 Million

1978

For Fiscal Year 1978; Down 17 Percent

MISSOULA, MT--Forty-four counties in Montana, north Idaho, and western South Dakota will share in payments totaling \$15,477,320.01, which is 25 percent of the fiscal year 1978 revenue earned by the 15 National Forests within the Northern Region.

These payments represent a 17 percent decrease from fiscal year 1977 payments (\$3,205,202.84). Checks were distributed to the States on December 20.

Forest Service revenue is from timber sales, grazing fees, land use fees, recreation charges, utility fees, mineral revenues, and admission and user fees. The base on which shares were figured also includes credits made to timber purchases for building roads and funds used by the Forest Service to improve timber sale areas. The addition base was established by the National Forest Management Act of 1976.

On May 16, the Forest Service provided the States with estimates of their share of F.Y. 1978 receipts from National Forests and counties with estimates of their share of calendar year 1978 receipts from the National Grasslands for use in financial planning. The National Grassland payments, based on revenues collected during calendar year 1978, will be made on or about March 1, 1979.

Receipts from the Northern Region's 15 National Forests for F.Y. 1978 provide the following allocations:

<u>STATE</u>	<u>NUMBER OF COUNTIES</u>	<u>TOTAL AMOUNT</u>
Montana	34	\$8,258,492.22
Idaho	9	7,213,309.47
South Dakota	1	5,518.32

(MORE)

Applicants for all U.S. Department of Agriculture programs will be given equal consideration without regard to race, color, sex, creed, or national origin.



Counties share in the receipts of the Individual National Forests in accordance with the acreage of National Forest within the county.

County receipts were derived from the following National Forests of the Region:

Beaverhead	\$ 174,690.85	Kootenai	\$3,350,495.53
Bitterroot	322,674.98	Lewis and Clark	114,317.58
Clearwater	1,621,727.52	Lolo	1,296,654.05
Custer	88,980.79	Nezperce	819,987.21
Deerlodge	423,988.06	Coeur d'Alene	2,015,952.75
Flathead	1,842,390.48	Kaniksu	1,936,237.45
Gallatin	143,570.03	St. Joe	1,285,016.16
Helena	40,636.77		

The following are counties' share of the Northern Region's receipts:

SOUTH DAKOTA

Hardin \$ 5,518.32

IDAHO

Benewah \$ 61,435.18
 Bonner 727,796.10
 Boundary 682,233.61
 Clearwater 799,470.38
 Idaho 1,758,774.58

Kootenai \$ 681,346.13
 Latta 167,008.23
 Lewis 9.61
 Shoshone 2,115,233.05

MONTANA

Beaverhead \$ 113,088.73
 Broadwater 7,438.92
 Carbon 24,611.28
 Carter 6,709.43
 Cascade 11,041.53
 Chouteau 1,991.95
 Deer Lodge 34,842.28
 Fergus 5,774.47
 Flathead 1,451,906.42
 Gallatin 50,105.63
 Glacier 1,576.17
 Golden Valley 1,472.77
 Granite 292,072.14
 Jefferson 132,351.03
 Judith Basin 18,240.87
 Lake 126,979.30
 Lewis and Clark 123,064.39

Lincoln \$1,208,086.24
 Madison 86,427.69
 Mcagher 26,570.93
 Mineral 401,148.42
 Missoula 442,182.81
 Park 66,020.65
 Pondera 6,647.35
 Powder River 25,541.47
 Powell 324,649.08
 Ravalli 229,598.95
 Rosebud 7,191.77
 Sanders 918,209.69
 Silver Bow 57,782.07
 Stillwater 13,983.23
 Sweet Grass 23,016.59
 Teton 14,654.44
 Wheatland 4,118.33

DRAFT

DRAFT

TENTATIVE REPORT OF ECONOMIC IMPACT
OF RARE II

Montana Dept. of Natural Resources & Conservation - Division of Forestry

This is a rough estimate of the economic effect of Rare II on Montana. There are presently 16,744,344 acres of land in the eleven National Forests in Montana. At the present time 6,534,410 acres or 39% of all National Forest land is being considered for Rare II.

Table 1. shows that in Montana there are already 5,033,253 acres of single use land in Montana. There are 2,711,939 acres of land in U.S.F.S. Wilderness Areas, 50,616 acres of land in U.S.F.S. Primitive Areas, 1,181,222 acres of land in National Parks and 1,089,476 acres of land in National Wildlife Refuge Areas.

From raw data provided by U.S.F.S. - Region 1, Table 2 was developed. This is a rough estimate of the Allowable Annual Harvest (A.A.H.) impact of Rare II in Montana. It shows that of the 6,534,410 acres of land in Rare II, 3,135,019 acres are classified as Commercial Forest land (C.F.L.). On this C.F.L. the A.A.H. was roughly estimated to be 786 million board feet. This figure was arrived at by the following calculations. The cubic foot Site Productivity Volume of each individual Rare II area was obtained from the U.S.F.S. print-out and an average determined for each Forest. This average cubic foot volume was converted to board foot volume by using a multiplier of 5. (We used 5 instead of 5.5 or 6 to be on the conservative side). Then this yield factor was multiplied by the number of acres of C.F.L. and an A.A.H. determined.

Using the average stumpage values, per forest, from U.S.F.S. print-out this figure was multiplied by the A.A.H. and the potential stumpage determined.

Table 3. shows the potential effect of Rare II on jobs, payrolls,

income and income taxes on Montana economy. The number of forest industry jobs generated by the harvest of 1MMBF of timber and the number of supporting jobs (Service and Trade) were taken from a publication, Wood Products of Montana, by Dr. Maxine C. Johnson, University of Montana, Missoula, Montana. Johnson states that five forest industry jobs are generated by the harvest of 1MMBF of timber and that ten service and trade jobs also result indirectly from this harvest. Enoch F. Bell, principal economist, Intermountain Station, Missoula, Montana, states in an article, Estimating Effect of Timber Harvesting Levels on Employment in Western U.S., that there are six jobs generated from the harvest of 1MMBF of timber. This is a 20% increase over Johnson's data and had we used this figure our wages and corresponding values would have been increased by 20%. However, we chose to use Johnson's figures in order to be as conservative as possible.

Dr. Johnson indicated that the average wage of forest industry employees, in Montana, was \$12,064 per year and that the average wage of service and trade industry employees was \$6,320 per year. Using these figures, there could be a potential decrease in payrolls to the amount of 97.14 million dollars annually.

The 25% monies that counties receive from the U.S.F.S. would also be impacted by Rare II. Table 2 shows there is a potential stumpage value of \$54,151,600 for commercial timber involved in Rare II. Twenty-five percent of this is 13.53 million dollars. However, in lieu of this 25% monies, counties would receive 50¢ per acre for Rare II areas. This amounts to 3.27 million dollars. Leaving a potential loss to county income of 10.26 million dollars annually.

The potential loss of income taxes to Montana was figured to be 2.4 million dollars. This figure was arrived at by multiplying the wages that forest industry employees receive from harvesting 1MMBF (\$60,320)

times 2.832% (average amount of income taxes paid for this income bracket from John Clark, Montana Department of Revenue) times 786. The average incomes taxes paid by service and trade industry employees was figured using a percentage figure of 2.212% (also from John Clark).

Potential Federal Income Taxes were computed the same way but using different percentage figures (also furnished by John Clark).

Table 3 also shows that there is a potential loss of 40.58 million dollars of Federal income as a result of Rare II. This was arrived at by taking 75% of the potential gross value of stumpage.

The potential business income derived from 786MMBF was estimated to be 852.81 million dollars. From various sources of information, an average selling value of 1MBF of manufactured lumber was determined to be \$350. This was multiplied by an economic multiplier of 3.1 (from Dr. Richard McConnen, M.S.U., Bozeman) then multiplied by 1000 to bring income equivalent to 1MMBF and then by 786 - potential A.A.H.

Highlights of this report:

1. Presently 16,744,344 acres of U.S.F.S. land in Montana and of this, 16,534,410 acres or 39% of total is considered for Rare II.
2. Presently 5,033,253 acres of National Parks, U.S.F.S. Primitive and Wilderness Areas and National Wildlife Refuge Areas in Montana.
3. 3,135,019 acres of C.F.L. is in Rare II having A.A.H. of 786MMBF with stumpage value of \$54,151,600.
4. Potential loss of 11,797 jobs with resulting payrolls of 97.14 million dollars.
5. Potential loss to County income 10.26 million dollars.
6. Potential loss to State income taxes 2.4 million dollars.
7. Potential business income loss of 852.81 million dollars.

Table 1 Wilderness Areas in Montana as of March 1978

<u>Wilderness Area</u>	<u>Gross Acres</u>
Anaconda - Pintlar	158,516
Bob Marshall	949,356
Cabinet Mountains	94,272
Gates of the Mountains	28,562
Mission Mountains	73,877
Scapegoat	239,936
Selway - Bitterroot	234,480
Welcome Creek	28,440
Absaroka - Beartooth	904,500
TOTAL	2,711,939

Primitive Areas

Spanish Peaks	50,616
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National Park Service Areas

Glacier National Park	1,013,598
Yellowstone National Park	167,624
TOTAL	1,181,222

National Wildlife Refuge Areas

Benton Lake	15,428
Black Coulee	1,480
Bowdoin	15,437
C.M. Russell	855,407
Creedman Coulee	2,728
Hailstone	2,240
Halfbreed Lake	3,097
Hewitt Lake	1,681
Lake Mason	18,693
Lake Thibadeau	3,868
Lamesteen	800
Medicine Lake	44,859
National Bison Range	23,103
Nine Pipe	2,022
Pablo	2,542
Ravalli	2,692
Red Rock Lake	40,301
Swan River	1,352
UL Bend	48,554
Warhorse	3,192
TOTAL	1,089,476

TOTAL SINGLE USE AREAS IN MONTANA 5,033,253

FOREST INDUSTRY ECONOMIC MULTIPLIERS
FOR
THE STATE OF MONTANA

	Volumes, Unit Jobs/MMBF	Nos. Jobs	State Impact 786 MMBF (Millions of
Forest Industry Jobs Generated	5 ¹ / ₁₅	3932	
Service and Trade Jobs Supported	10 ¹ / ₁₅	7865	
		11,797	

PAYROLLS

Forest Industry Payrolls (5 X \$12,064) ² / ₁₅	\$60,320	47.44
Service & Trade Payrolls (10 X \$6,320) ² / ₁₅	\$63,200	49.70
Total Payrolls	\$123,520/MMBF	97.14

COUNTY INCOME (25% Monies)

County Receipts from Stumpage (25% X \$54,151,600)	13.53
50¢/acre in lieu of 25% funds	3.27
Net loss to counties	10.26

INCOME TAXES (On Payrolls)

State Payroll Taxes ³ / ₁₅ (60,320 X 2.832% X 786) + (63,200 X 2.212% X 786)	2.4
Federal Payroll Taxes ³ / ₁₅ (60,320 X 8.405% X 786) + (63,200 X 11.112% X 786)	9.5
Total Taxes	11.9

FEDERAL INCOME

Federal Receipts from Stumpage	40.58
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BUSINESS INCOME

(Total Business Income Generated by Manufacturing) (350 ⁴ / ₁₅ MMBF X 3.1 ⁵ / ₁₅ X 1000) X (786)	852.81
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1/ From Wood Products of Montana, Dr. Maxine C. Johnson, U of M, Missoula, Montana

2/ Provided by Maxine C. Johnson

3/ From John Clark, Department of Revenue

4/ Various Sources

5/ Provided by Dr. Richard McConnen, MSU, Bozeman, Montana

Table 2

Estimate of Allowable Annual Harvest Impact of RARE II in Montana *

Forest	(1) RARE II GROSS Acres	(2) RARE II CFL Acres	(3)** Yield Factor Used in RARE II	(4) A.A. Harvest Impact (2) X (3) NM Bd. Ft.	Average Stumpage Value \$ MBF	(4) X (5) \$ Dollars
Beaverhead	1,652,840	563,350	200	112.7	58	6,537,000
Bitterroot	145,000	360,741	230	83.0	82	6,806,000
Custer	155,758	41,733	125	7.7	58	446,000
Deerlodge	475,880	301,560	230	69.4	58	4,025,200
Flathead	627,397	214,618	380	81.6	82	6,691,200
Gallatin	774,580	178,646	210	37.5	58	2,175,000
Helena	538,300	262,960	225	59.2	58	3,433,600
Kootenai	330,335	174,689	380	66.4	82	5,444,800
Lewis & Clark	1,127,500	570,945	250	142.7	58	8,276,600
Lolo	686,020	465,777	270	125.8	82	10,315,600
Idaho Panhandle	20,800					
TOTAL	6,534,410	3,135,019		786.0		54,151,600

* March print-out - U.S.F.S. R.I.

** Average of Cu. Ft. Site Productivity Volume X 5 = Board Feet.

Table 4

FOREST	Impact in Millions of Dollars				
	Primary ^{2/} Job Loss (5)	Secondary ^{2/} Job Loss (10)	Payroll ^{2/} \$123,520/MSBF	County Income	Business Income (\$1,085,000) ^{3/}
National Forest					
Harvest ^{1/} Impact MSBF					
112.7	563	1127	13.92	1.63	122.28
83.0	415	830	10.25	1.70	90.06
7.7	38	77	.95	.11	8.35
69.4	347	694	8.57	1.01	75.30
81.6	408	816	10.08	1.67	88.54
37.5	189	375	4.63	.54	40.69
59.2	296	592	7.31	.86	64.23
66.4	332	664	8.20	1.36	72.04
142.7	714	1427	17.62	2.07	154.83
125.6	629	1258	15.54	2.58	136.49
TOTAL	3927	7850	97.08	13.53	252.81

/ From March print-out - USFS - R.I.

/ From Dr. Maxine C. Johnson, U. of M., Missoula, Montana

/ (350 X 3.1 X 1000)

Forest Industry Position

RARE II

A Process for Decision on National Forest Resource Lands

SUMMARY

After more than eight years and two comprehensive studies, the Department of Agriculture has announced its recommendations for use of 62 million acres of unroaded areas in the National Forests. The questions that need answering continue to be: how much National Forest land should be set aside in Wilderness preserves, and how much should be managed to provide multiple-use benefits, such as timber, range, minerals, energy resources and general recreation for the American public?

Secretary of Agriculture Bob Bergland's recommendations on the 62 million acres of roadless lands studied in the second Roadless Area Review and Evaluation (RARE II) are: 15 million acres for Wilderness, 11 million acres for further study, and 36 million acres for non-Wilderness uses. Non-Wilderness uses range from limited development backcountry to intensive management for recreation, timber production and other commodity yields, as well as wildlife and water development.

The Wilderness recommendations, coupled with Wilderness proposals before Congress, would more than double the current National Forest contribution to the Wilderness System—from 15.2 million acres to 33.5 million acres, an area larger than New York state.

For the forest products industry—and the hundreds of communities and businesses and thousands of workers dependent on National

Forest timber—the recommendations are of serious concern. They mean reductions in timber supply, and further erosion of the economic base essential for their livelihood.

For housing, and American home buyers and consumers of wood and paper products, the recommendations mean higher prices, more inflation, wood products shortages, and greater dependence on lumber imports.

For Congress and the Administration, they mean tough decisions—balancing impacts on housing, inflation, trade deficits, employment, and the national economy. But there is an opportunity to resolve the issue wisely, after all facts and needs are evaluated carefully and prudently.

Uncertainty over timber supply already has reached crisis proportions in the West and parts of the East where the National Forests are a major source of timber—and where the Forest Service, the Agriculture Department agency that manages the National Forests, is virtually a monopoly owner and seller of available timber. Impacts are equally severe for the industries, workers and citizens who depend on the National Forests for grazing, mining, oil and gas exploration and opportunities for general recreation.

All multiple-use users of the National Forests urge prompt, wise decisions—the sooner the better—because the long debate has created enormous uncertainty and insecurity that only Congress and the Administration can resolve.

FOREST INDUSTRY RECOMMENDATIONS TO CONGRESS

Non-Wilderness Lands: The 36 million acres recommended for non-Wilderness uses are needed promptly for multiple-use management to avert chaotic timber supply problems this year and next. Return of these lands to management is essential to maintain the timber land base for communities, businesses and workers dependent on National Forest timber, as well as for those dependent on National Forest range, minerals, energy resources and general recreation. An estimated 150,000 jobs in the timber products industry are directly tied to National Forest timber supply. For each direct job there are two additional indirect jobs in support and service sectors.

Legislation Urged: To assure that the lands recommended for non-Wilderness are available for management, including timber production for housing, legislation is needed to provide direction from Congress that these lands are no longer to be considered for Wilderness use. Such legislation will reinforce the RARE II process and give the Forest Service the stability needed to plan management programs without threat of administrative and/or judicial challenges and delay.

Wilderness and Future Planning: The 15 million acres recommended for Wilderness include six million acres of commercial forest lands. To meet Resources Planning Act (RPA) timber goals, some portion of the commercial forest lands recommended for Wilderness will be needed for timber production. The forest industry is identifying and evaluating these areas.

The 11 million acres recommended for future planning contain more than three million acres of commercial forests. To meet RPA timber goals, *all* of these commercial forest areas must be returned to multiple-use management. Completion of the studies is essential within two years.

Wilderness Additions: Since RARE II began in 1977, Congress has added nearly three million acres of National Forests to the Wilderness System—without considering impacts on RPA goals for timber or other resources. In considering RARE II additions to the Wilderness System, Congress should maintain an overall perspective, rather than make piecemeal additions without regard for other resource needs.

BACKGROUND

On January 4, 1979, the Department of Agriculture announced—on schedule—its recommendations for decision by Congress and the Administration on how the roadless areas of the National Forests should be used. This marked the close of a critical phase of the federal government's most recent two-year study, known as the second Roadless Area Review and Evaluation (RARE II). The public was involved as never before in helping the Department frame its recommendations.

RARE I: The Wilderness review process started back in 1970 when the Forest Service began the first study of roadless lands in the National Forests. That study, known now as RARE I, identified 56 million roadless acres and selected 12 million acres as prime candidates for further Wilderness study. The remaining 44 million acres, because of litigation

and a subsequent court agreement, required Environmental Impact Statements on management plans for each area before the Wilderness character of the lands could be altered.

RARE II: to speed up the process of preparing management plans, which were subject to challenge when completed, the Forest Service initiated an expanded second review (RARE II) in 1977. Sixty-two million acres of roadless National Forest lands were studied and the public's views were solicited. During the summer of 1978, the Forest Service received more than 300,000 responses—many with site-specific comments—which supported management and resource uses over Wilderness by a 3 to 1 ratio.

The response reflected the concern of the American people for managed uses that bene-

Status of Wilderness Preservation

(Millions of acres)

	Existing	Pending Proposals In Congress	Possible Additions from RARE II and BLM Studies	Total
National Forests	15.25	3.3	25.8 ¹	44.35
National Parks	2.97	16.89	—	19.86
National Wildlife Refuges	.8	7	—	7.8
Unclassified Lands in Alaska	—	124.1 ²	—	124.1
Bureau of Land Management	—	—	120 ³	120
Total	19.02	151.29	145.8	316.11

¹ The Department of Agriculture's initial recommendations in the Final Environmental Impact Statement include: 15 million acres for Wilderness, 10.8 million acres for Further Planning (total of 25.8 million acres), and 36 million acres for non-Wilderness. These are subject to change through further Administrative and Congressional review.

² Covers pending legislation designations of new federal areas in Alaska which involve Wilderness or Wilderness study classifications.

³ BLM is currently inventorying all of its lands, some 450 million acres, to determine which lands meet Wilderness criteria. As of January, 1979, BLM estimates that 120 million acres of its lands may be recommended for Wilderness designation.

fit all the people. Single-use Wilderness preservation is enjoyed by less than one percent of the nation's 220 million people.

Wilderness System: The National Wilderness Preservation System now includes more than 19 million acres of federal lands—about equal to the combined land area of New Hampshire, Massachusetts, Connecticut, Rhode Island and New Jersey—with 15.25 million acres in National Forests and the remainder in National Parks and National Wildlife Refuges. Since all federal lands are to contribute to the Wilderness System, National Parks, Wildlife Refuges and Bureau of Land Management lands are also being studied for their Wilderness suitability. In all, some 316 million acres of federal lands are now under consideration for Wilderness or already are in the Wilderness System—an area more than three times the size of the state of California.

Forest Wilderness: Productive forest land is well represented in both existing National Forest Wilderness and RARE II lands proposed for Wilderness. Of the 15.2 million acres of National Forests already designated Wilderness, half (more than seven million acres) is productive forest land. Another 5.7 million acres of productive forest lands are in RARE II areas recommended for Wilderness. A total of some 13 million acres of productive forest are either in Wilderness or proposed for Wilderness additions.

What is Wilderness? Wilderness is defined by law as "an area where the earth and its community of life are untrammelled by man, where man himself is a visitor who does not remain." Land legislatively designated Wilderness—and land being considered for possible Wilderness—is not available for timber supply or most recreational uses.

Access to Wilderness is only on foot, horseback or by canoe. There are no roads, improved campsites, ski lifts or permanent structures. Cars, recreational vehicles and motorized boats are not permitted. Timber harvesting is prohibited, and mining, oil and gas exploration, grazing, and wildlife and watershed management are limited. Wilderness is the most restrictive of all land uses.

Problems for Timber Supply: Because tens of millions of acres of National Forest lands were "frozen" for years in RARE I and RARE II studies, timber supply in the West and parts of the East has become critical. Many mills dependent on National Forest timber have only a six-month to one-year supply of timber under contract. They hope RARE II will eliminate the timber supply uncertainty they have faced since 1970. The RARE II recommendations for Wilderness additions mean both short- and long-term reductions in timber supply—with consequent impacts locally, regionally, and nationally.

A. FACTS ON TIMBER SUPPLY

The RARE II Wilderness recommendations preclude the Forest Service from meeting its own short- and long-term goals for timber supply—in spite of a Department objective that RARE II not impact timber goals. These goals, and the performance to achieve them, are persuasively set out for timber, Wilderness and other National Forest resources in the 1975 Program the Forest Service developed to comply with requirements of the 1974 Resources Planning Act (RPA). Congress accepted the RPA Program in 1976.

Timber Goals: RPA timber goals call for National Forest timber sales of 15.5 billion board feet in 1985, rising to 19 billion board feet by the year 2020. The Forest Service says these production goals are needed to meet housing, construction, paper and other demands for wood products, which will more than double by the year 2020. National Forest timber sales in 1978 were two billion board feet below the 1978 RPA goal. The President's Budget request for 1980 would put the timber sale program 2.3 billion board feet below the 1980 RPA goal. Timber supply from the National Forests has been on a downtrend since 1970.

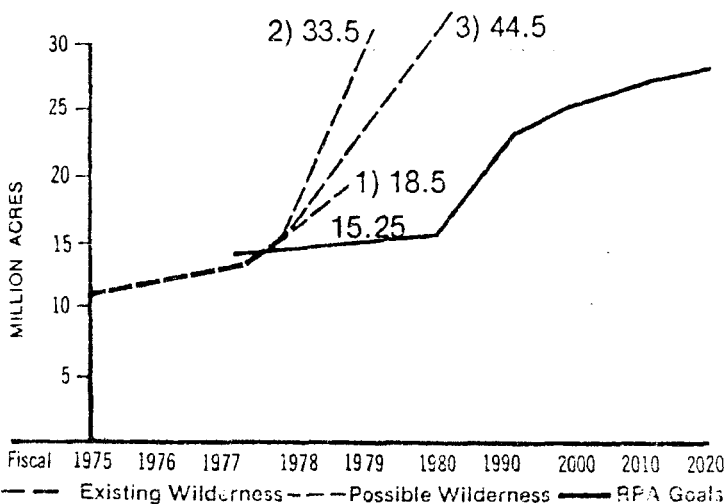
Wood Demand Increasing: Timber supply from the National Forests must increase, not decrease, in both the short and long term. Housing demand in the decade of the 1980s is projected to average 2.6 million units

annually—an increase of 20 percent over the annual average of housing starts from 1970 to 1978. Reductions in timber supply mean problems for housing, inflation, balance of payments, employment, and the economic base of hundreds of counties and communities.

Timber Land Base: To achieve RPA timber goals an adequate timber land base is essential. But under the Agriculture Department's recommendations only 79 percent of the timber needed from lands in the RARE II inventory would be available to meet timber supply goals. The Forest Service says its Wilderness recommendations will result in a yearly reduction of 1.3 billion board feet in the potential timber yield from the National Forests—enough wood to build more than 100,000 houses every year.

Wilderness Goals Met: In contrast to timber supply reductions, short- and long-term RPA goals for National Forest Wilderness would be exceeded by a substantial margin. The RPA Wilderness goal for 1985 is 23 million acres rising to 25 to 30 million acres by the year 2020. These goals would be substantially exceeded by the RARE II recommendations, which would result in more than 33 million acres in Wilderness. The Final Environmental Impact Statement for RARE II does not explain why the recommendations exceed RPA Wilderness goals and fall short of RPA timber goals.

National Forest Wilderness



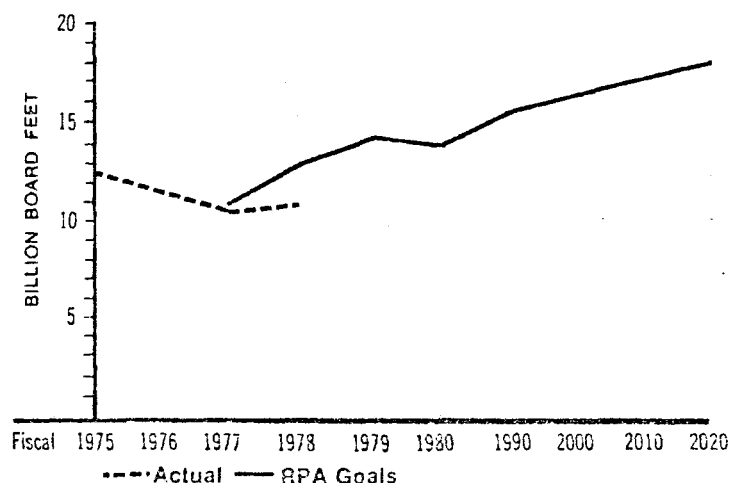
15.25 Existing Wilderness

1) 18.5 Existing, Pending in Congress

2) 33.5 Existing, Pending in Congress, RARE II

3) 44.5 Existing, Pending in Congress, RARE II, Future Study

**Timber Sales
(National Forests)**



---- Actual — RPA Goals

ECONOMIC AND SOCIAL IMPLICATIONS

Inflation: The inability of the National Forests to meet RPA timber goals means that already severe timber supply problems will worsen in the 1980s and beyond. Past experience and numerous government investigations have shown that shortfalls in timber supply exert demand-pull pressures on the cost of wood building materials and the cost of housing, which already is high. This ripples through the entire economy.

Balance of Payments: U.S. wood production shortfalls will require increased reliance on imports of softwood lumber, which already account for 28 percent of all U.S. consumption of softwood lumber. The United States is a net importer of wood and fiber. In 1977, the United States paid out \$1.8 billion for imports of softwood lumber. Increased lumber imports will further aggravate U.S. problems with trade deficits and balance of payments.

But this could be reversed. U.S. forests are among the most productive in the world. Soils, weather and sites are ideal for growing valuable timber crops. With an adequate timber-growing land base and prudent scientific management, the United States could become a leader in world trade of wood and fiber products.

Employment: Enormous opportunities exist to increase employment in the forest industry,

and in building and related service industries, by expanding the nation's wood supply. A recent study of national economic impacts of Wilderness withdrawals by Data Resources, Inc. (DRI), showed that a one billion board foot reduction in National Forest timber supply would result in a net loss of 9,000 direct jobs by 1985. Adding two additional indirect jobs means another 18,000 jobs lost, for a total employment loss of 27,000 in 1985. The economic and social benefits of these jobs would be transferred to other countries which export softwood products to U.S. markets. The study showed that expanding National Forest timber supply by one billion board feet would have the reverse effect—creating 9,000 direct jobs—and a total direct and indirect employment gain of 27,000.

Industrial Expansion: Under the 1977 amendments to the Clean Air Act there can be no "significant deterioration" of air quality in places where the quality surpasses national health standards. As new Wilderness areas are created by Congress, these areas can be granted the class designation for the highest degree of air quality protection—the Class I "pristine" designation. This designation severely limits location of new industrial facilities near the Wilderness. While this may be the result desired, it also impacts operations and expansion of existing facilities near Wilderness areas.

POINTS CONGRESS SHOULD CONSIDER

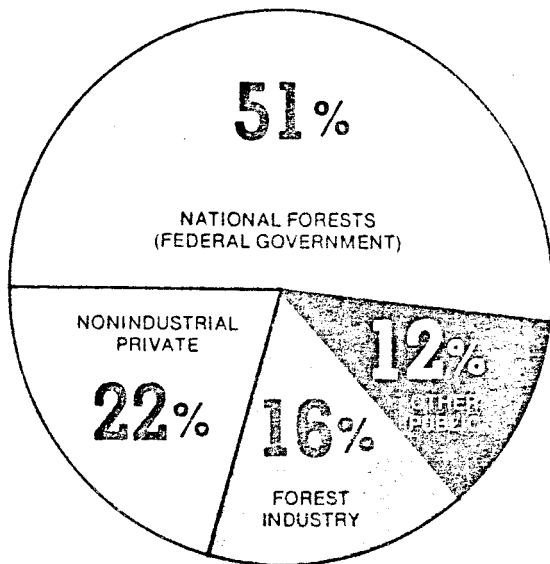
Timber Land Base—Public and private lands available for the continuous growth and harvest of repeated timber crops are shrinking. For federal forests, the most serious competition is from Wilderness withdrawals. For private forests, other land uses, diverse management objectives, and insufficient incentives are reducing the land base available for growing timber.

Timber Inventory—Commercial forest lands in the National Forests contain 51 percent of the total U.S. standing inventory of softwood sawtimber—from which come basic wood products for housing and construction, pulp, paper, packaging and other consumer goods.

Timber Supply—National Forests supply 15 percent of all the timber (softwoods and hardwoods) consumed annually in the United States—the same dependency America had on Arab oil at the time of the 1973 embargo. They supply 23 percent of the softwood sawtimber needed for homebuilding and other construction. In the East, the National Forest are significant sources of hardwood timber. They are important to local industries and provide the economic base for many communities.

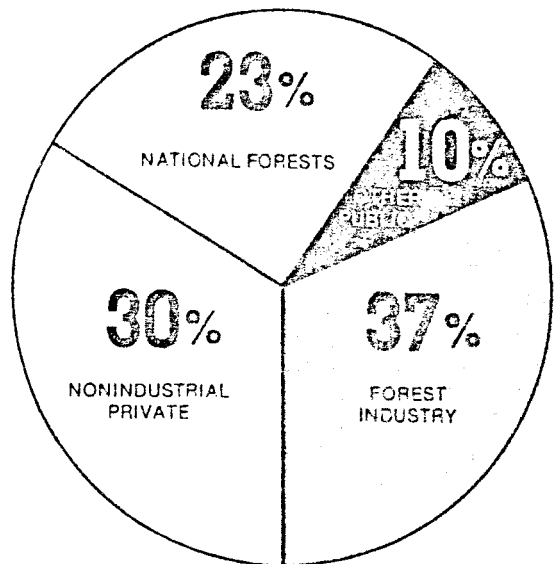
Federal Timber Base—Reduction in the timber land base on which National Forest annual allowable harvest calculations are based will result in reduced harvests and

Where the wood is



STANDING TIMBER INVENTORIES,
SOFTWOOD SAWTIMBER

Where the wood comes from



SOFTWOOD SAWTIMBER HARVEST

more underutilized timber growth. Nationally, timber management is considered a normal use on only 56 million acres of the 187-million-acre National Forest system—only 31 percent of all National Forest lands. Timber management is considered a normal use on only 55 percent of the 102 million acres of National Forests considered productive forest land. Thus, there are large forested areas in the system where timber production is not a normal use.

Private Forest Lands—Industrial forest lands are producing wood at or near capacity. Private non-industrial woodlands need silvicultural attention to increase wood

supply. Overcutting will jeopardize their potential to provide increased timber needed in the future.

Future Planning—To plan ahead, the forest industry needs certainty about the timber supply that will be available. Plant modernization and expansion are not possible in a climate of basic raw material insecurity. Substantial increases in production capacity are needed to meet forecasts of wood demand this century, which will double by 2020. Oil, gas and utilities are current examples of industries that were constrained from future planning.



NATIONAL FOREST PRODUCTS ASSOCIATION
1619 Massachusetts Avenue, N.W.
Washington, D.C. 20036

Mr. Chairman and Committee Members:

My name is Charlotte Easter. ^{-opponent} I am testifying as a private citizen and as a representative of a group of Missoula residents who are very interested in Wilderness.

There is no need to be so leary of more wilderness designation. In the first place, both opponents and proponents of Wilderness Areas in the state of Montana have always had a very strong and effective voice because of the governmental processes that have been set up in the federal Wilderness Act. In the second place, there are many areas of misunderstanding about wilderness. I would like to mention two of these areas that, in part, cause the extreme suspicion that is evidenced by House Joint Resolution #6.

Mining is one of the most apparent examples of misunderstanding. It is always assumed that all mining activity ceases immediately upon designation of a Wilderness Area. In fact, prospecting is allowed and claims may be filed until midnight, Dec. 3, 1983. After that date, mining is permitted on valid claims, and access is allowed for that use without any cutoff date. In some cases, road construction has been allowed for prospecting, and, where road construction would leave lasting scars, helicopters have been used to transport drilling equipment. Beyond this date, Dec. 3, 1983, all areas will be surveyed on a planned recurring basis by the Geological Survey and The Bureau of Mines to determine any possible mineral value. Results will be made public. Although very little mineral value has been found in these areas, Congress has recognized that some may be identified in the future.

I cannot emphasize strongly enough that the processes of mining have not been eliminated by the Wilderness Act.

There is misunderstanding about timber harvesting. One of the reasons that there are any roadless areas that might qualify for wilderness today is because their timber-producing potential is generally much lower than in other areas. Because these lands are "marginal" lands, timber cutting here is normally not cost effective.

I submit that this resolution is based on false premises. Despite economic threats from proponents of the Resolution, the mining would not cease, and the marginal timber would not be missed. Despite intimations of federal autocracy in the Resolution, Wilderness Areas are designated only by the democratic process of citizen input.

VOTE NO ON HJR 6

HJR 6 URGES THAT CONGRESS REFRAIN FROM FURTHER WILDERNESS DESIGNATION WITHOUT THE APPROVAL OF THE STATE AFFECTED

THE ISSUE IS NOT ONE OF STATE'S RIGHTS BUT, RATHER, ONE OF BASIC EQUITY IN DEALING WITH OF THE LEGITIMATE USES ON FEDERAL LAND

THERE IS ALREADY A PROCESS TO INSURE ACTIVE STATE AND LOCAL INVOLVEMENT IN WILDERNESS DECISION
HJR 6 SHOULD BE REJECTED BECAUSE IT IS BASED ON MYTH, AND BECAUSE IT WOULD CREATE A DISCRIMINATORY POLICY THAT WOULD INTERFERE WITH THE OBJECTIVE CASE-BY-CASE CONSIDERATION OF EACH AREA ON IT'S OWN MERITS

THE WILDERNESS ACT REQUIRES LOCAL HEARINGS AND THE INVOLVEMENT OF THE GOVERNOR AND LOCAL GOVERNMENTS AFFECTED. THE PROCESS ALREADY PLACES THE BURDEN OF PROOF ON WILDERNESS PROPONENTS SINCE DESIGNATION REQUIRES AN ACT OF CONGRESS, WHEREAS THE DECISION TO DEVELOP WILDLAND IS MADE ROUTINELY AT THE LOWEST LEVEL OF THE FEDERAL LAND MANAGEMENT AGENCY.

WILDERNESS IN MONTANA CANNOT BE DESIGNATED WITHOUT THE APPROVAL OF OUR OWN CONGRESSIONAL DELEGATION

HJR 6 MYTH

FACT

"Wilderness restricts or eliminates access by the majority of Americans"

In Montana over 70% of the national forest land alone is open to vehicle access. Other lands are mostly high, fragile areas where unrestricted vehicle access would damage wildlife and watershed values

Wilderness "prohibits harvesting of mature and overmature timber"

Most of our remaining roadless lands cannot be managed for timber in a cost-effective manner. These timber sites are remote, slow-growing and unproductive. Our timber supply needs can best be met with intensive management of our more productive, already-developed lands

"Wilderness prevents the development of needed mineral resources"

The 1964 Wilderness Act allows continued mineral exploration on new claims until 1994 and actual mineral development of valid claim anytime thereafter (sec. 4-d-3)

Wilderness "makes difficult the improvement of rangeland"

The Wilderness Act provides that existing livestock grazing shall be allowed to continue (sec. 4-d-4) and that rangeland improvements may be made. There have never been any curtailments in numbers of livestock permitted to graze in Wilderness because of Wilderness designation. Generally, areas under wilderness consideration do not contain rangeland suitable for intensive management. Such lands should normally not be included in Wilderness.

Wilderness "interferes with the control of forest fires, insect damage and diseases"

The Wilderness Act allows for the control of fire, insects and diseases (sec. 4-d-1)

Wilderness decreases "the value of wildlife habitat"

In Montana, many wildlife species, such as elk, grizzly bear and mountain goat are dependent upon wildland habitat. Wilderness designation protects wildlife habitat, and the habitat can be improved by the controlled use of wildfires. Hunting and fishing are permitted in Wilderness, and are a source of millions of dollars of annual revenue to the State.

HJR 6 MYTH

FACT

"State policymakers are excluded from federal natural resource decisions"

The Wilderness Act requires local notices and local hearings on all wilderness proposals as well as consultation with the Governor and county officials (sec. 3-d-1).

Wilderness is not multiple use

The Multiple Use/Sustained Yield Act of 1960 states, "The establishment and maintenance of areas of wilderness are consistent with the purposes of this Act." (sec.2) Of the five major multiple uses, only timber production is prohibited in Wilderness. Wilderness provides wildlife and fish habitat, protects watersheds for downstream uses, offers superb recreation, and supplies forage for commercial livestock production.

HJR 6 SHOULD BE REJECTED ON THE BASIS OF FALSEHOOD AND INACCURACY ALONE

Candidate insists RARE II spells trouble for state

Volume Capitol Bureau

5/16/78

HELENA — Republican senatorial candidate Larry Williams of Kalispell says he'll stick by his contention that second roadless area study, RARE II, is going to have significant adverse economic effects on Montana.

Last week Williams issued such a statement based on a document from the state Department of Natural Resources which showed that the state's economy could suffer \$52 million in losses if none of the timber in Montana's roadless areas is harvested.

Department director Ted Doney, who said the document which Williams obtained was simply a rough draft and contained numerous assumptions and facts and shouldn't be used or assumed to be the department's position.

Monday Williams pointed out the document had been presented April 15 to State Forester Garrett Moon to the Western States Legislative Forestry Task Force.

"I'm amazed and quite perplexed that report was called an in house report by Doney," said Williams. "The fact the report was made public, if it did contain false conclusions

why did the state choose to present it?"

Doney continues to maintain his department's report is incomplete and that it has never been presented to any body in any other way.

He said Moon made it clear to members of the task force the report was merely a preliminary draft and is not complete.

He said Moon made the report because Montana was the only state of the five western timber states which hadn't made such calculations about the effects of RARE II.

So, the state took Oregon's formula and worked up the report, he said.

"But as soon as I saw the report I realized right off the bat that it was superficial and contained incomplete methodology," said Doney. "And I wished we hadn't released it. It just assumed all RARE II would go into wilderness and looked at the costs and not the benefits."

Doney said that because the state runs an open government, such draft documents do make their way into public. He said he wished Williams had checked with the department before put the report into perspective before

releasing it in his political campaign.

Williams said the discrediting of the report is a "typical tactic of the environmental groups." He said the report doesn't fit what the environmentalists want so they try to shoot it down.

Williams says that even if the report is only 50 per cent true it will still mean that RARE II will have devastating effects on Montana.

It will still mean the potential loss of 6,000 jobs, he said, and the loss of \$1 million in state taxes and \$5 million in county taxes.

Williams is proposing that should he win nomination, there be established a blue ribbon task force on RARE II to decide what its impact will be and that a report be made to the governor and Congress to speed a decision.

Williams said admittedly the state's report is based on the worst case scenario — that all the roadless areas will continue to be impounded.

"But it is realistic to assume that all the land will continue to be impounded given the environmentalists' lack of consideration for jobs and economic growth and given the fact that by and large the government doesn't perform

too well."

Williams said it must be remembered that all the lands now in roadless state will continue to remain so under RARE II "until Congress acts to free it."

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Unnecessary resolution

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it is a strength and not a weakness of process that Congress' ultimate decisions are in its own hands. Congress is dealing with resources and the decision should be made by the people, not as Hand suggests, de facto approval by both the governors and the various states. Such dependence precludes truly national consideration of the various states. Such dependence is not just those in a state where mineral commodity interests may control a governor's office.

It would mislead Hand want Congress to act by making itself beholden to every state legislature on issues of national resources. There may be times when national interest requires overruling a governor or self-serving local officials.

Another point made by Hand deserves mention: a statement that wilderness "prevents development of needed mineral resources" is a misrepresentation.

Exploration can take place in wilderness areas that do not destroy or degrade the wilderness environment. So can reclamation — actual mining — if it's done with care for wilderness resources value.

Logging industry isn't locked out of wilderness simply has to do a better, more careful job than elsewhere. That's only fair. Wilderness management considerations require it.

Editorial, Wednesday, January 31, 1979

Editorial page

The opening paragraph of Montana House Joint Resolution 6 is innocuous. It describes the resolution (Chief sponsor is Rep. William Hand, D-Dillon.) as a measure "urging the President of the United States, the United States Congress and others in the federal government to refrain from further designating wilderness areas without the approval of the state affected."

The principle sounds good.

It's the rest of the resolution, however, that poses a problem. The resolution is blatantly anti-wilderness. It is simply a catalog of all possible anti-wilderness arguments.

There's nothing wrong with opposing wilderness; some areas do not deserve wilderness designation. But HJR6 goes too far. It attacks wilderness designation as the cause of nothing but evil, a designation that eliminates in "limiting the national food supply and decreasing the value of wildlife habitat."

Even the argument upon which the resolution is based is faulty. HJR6 would ask Congress, and the president to refrain from setting aside land, water or other resources without specific approval of the governor and legislature of affected states.

HJR6 tries to pull the state vs.

federal control heartstrings. It says the federal government should involve local decision-makers in wilderness and resource decisions. We agree.

But it also claims federal wilderness designation decisions "work to subvert the ability of the states and their citizens to govern themselves..." That is not the case. Even a cursory look at the federal Wilderness Act shows why.

The act insists that the Secretaries of Agriculture and the Interior give public notice of wilderness proposals, that they hold public hearings at or near the areas affected and that they notify the governor and the county governing boards of affected areas. The secretaries also have to submit comment gathered at the local level to the president and to Congress along with wilderness recommendations.

Local participation in wilderness decisions already is taken care of. There is no need for a resolution asking for state participation — especially a resolution that refuses to admit there are pros and cons to both sides of any wilderness issue.

The House Fish and Game Committee, which at this writing is considering the resolution, should let it die.

CITIZENS FOR AMERICA'S ENDANGERED WILDERNESS

330 Pennsylvania Avenue, S.E.
Washington, D. C. 20003

NATIONAL FOREST WILDERNESS IN THE 96th CONGRESS

RARE-II: THE RESULTS

January 1979

For the past year and a half, the U.S. Forest Service has been engaged in its "RARE-II" program (a second Roadless Area Review and Evaluation). On January 4th, the Secretary of Agriculture announced the tentative results. Some 2,900 roadless and undeveloped areas, totalling 62 million acres of national forest land, were sorted into three categories:

<u>Recommendation</u>	<u>Total Acreage</u>	<u>Number of Areas</u>
WILDERNESS	15.1 million*	624 (21.4% of total)
NON-WILDERNESS	36.2	1981 (67.9%)
FURTHER PLANNING	10.8	341 (10.7%)

(*Actually, there is only 9.5 million acres in the lower 48. 5.6 million acres of proposed wilderness are in Alaska national forests. Most of these had previously been included in the Alaska lands legislation and Administration proposals for Alaska, and were unfairly included in this total to make it appear larger.)

Some have thought that since 62 million acres were involved in this RARE-II review, Congress would inevitably be presented with 62 million acres of hot controversy: conservationists against loggers and miners.

While it is true that local citizen groups do dispute some of the Forest Service's "non-wilderness" recommendations and will certainly ask Congress to review those, much of the roadless inventory is, in fact, resolved and need not be a part of any continuing controversy.

Conservationists all across the country are incensed by some of the Secretary's RARE-II recommendations, and with good reason. Their anger over some of the "non-wilderness" proposals is going to be heard in congressional offices, as these local people ask Congress to review and reverse some of these bureaucratic decisions. But this does not involve all, or even most, of the 36 million acres proposed as "non-wilderness," so the scope of this controversy is now markedly reduced.

To put the issue in perspective, and to begin distinguishing the limited, genuine controversy from contrived "62-million-acre lock-up" allegations, we offer the following summary of grievances from grassroots conservationists and sportsmen concerning the Forest Service/Secretarial RARE-II recommendations.

AMERICAN RIVERS CONSERVATION COUNCIL, FRIENDS OF THE EARTH, THE IZAAK WALTON LEAGUE OF AMERICA, NATURAL RESOURCES DEFENSE COUNCIL, SIERRA CLUB, THE WILDERNESS SOCIETY.

For further information, please contact: John McComb/Doug Scott 547-1141

THE RARE-II INVENTORY: MINIMAL RESOURCE CONFLICTS

Anyone who has followed RARE-II has probably heard all sorts of fear-raising assertions about UNCERTAINTY for sawmills and other resource industries, about DEPENDENT COMMUNITIES which need roadless areas opened for development, about THREATENED JOBS, and even dire warnings about a TIMBER FAMINE (reduced housing starts, higher lumber prices) -- all predicted if the 62-million-acre inventory of roadless areas were to be allocated to wilderness.

However, no one has proposed that all, or even most, of this roadless land should be allocated to wilderness.

There is simply no substance to these exaggerated assertions:

- Neither DEPENDENT COMMUNITIES nor JOBS are at stake in most of these inventoried roadless areas. Actual economic dependency of communities or sawmills on the marginal timber and other resources characteristic of most of these areas is the exception rather than the rule.
- No TIMBER FAMINE will result because some roadless lands gain wilderness protection. If such a crisis does occur, it will take place because of mis-management of other, more productive lands (most notably forest lands in private ownership).
- In fact, of the 62 million acres inventoried, less than half (only 26.8 million acres) is classified as "commercial timber land" even under the most liberal definition -- and most of this would be excessively costly to harvest, yielding a relatively marginal timber crop.

-3-

● Even if the entire RARE-II inventory of roadless land were given wilderness protection (which no one seeks), timber production would only be reduced by 4% nationally. *

THE INVENTORY: HIGH WILDERNESS VALUES

While each of these roadless areas is unique and has its own character, generalizations do hold. All inventoried areas technically qualify for designation as "wilderness" -- that is, they have met the basic suitability criteria set forth in section 2(c) of the Wilderness Act of 1964. Moreover, these areas have a rich diversity of natural values and are utilized as wilderness right now by many thousands of local people and vacationers. They are de facto wilderness. Turning them over to development, on any large scale, is inevitably going to displace existing wilderness recreational use (hiking, hunting, fishing, nature study, cross-country skiing and the like) onto a diminishing residual acreage of wild, roadless land.

* ABOUT TIMBER: Only about one-fifth of the nation's wood is harvested from federal lands. The remainder comes from lands privately owned by timber companies, other corporations, or individuals. These private lands, not our national forests, will remain our most important source of timber in decades to come.

Most of the prime timber-producing lands in the 187-million-acre National Forest System are contained in some 110 million acres of "commercial forest land" which is already roaded and developed -- lands not involved in RARE-II at all, and lands which will remain open to timbering, mining, and other uses. Improved management and concentrated production from these inherently more productive lands simply makes sound economic sense -- and would avoid the controversy involved in attempting to open key potential wilderness to logging.

Within the national forests, as logging occurs on increasingly remote lands, with less stable soils and more costly road access requirements to reach more marginal, less valuable timber, the Forest Service is getting into massive and inflationary subsidization of timber production. Of the 36 million acres of roadless lands recommended for "non-wilderness," much lies in this kind of remote, inaccessible terrain of our Western mountains, where the trees are sparse and regeneration after logging is very slow, or even improbable. Thus, as these trees are sold for logging, Forest Service timber prices often fall well below the level needed to recover the government's costs for road construction, land management, and reforestation. This distorts competition between federal timber and opportunities for wise investment in better (usually privately owned) timber lands. To avoid future timber shortages we must learn to make better use of our best, most naturally productive timber lands -- not more extensive and heavily subsidized, one-time use of our worst.

On the other hand, one must ask why these places are still roadless and undeveloped at all -- in 1979. After all, for sixty years the U.S. Forest Service and the various industries have had the opportunity to develop the national forests. During fifty of those sixty years, these lands were totally unprotected, not even recognized as "roadless" in any formal sense. They simply survived!

Naturally, over those decades, agency officials and timber industry planners, concerned with gaining the best possible return on investments, while minimizing production costs, focused development on the most productive, most accessible, most easily managed lands first.

IN GENERAL, THESE ROADLESS AREAS ARE STILL UNDEVELOPED TODAY PRECISELY BECAUSE THEY HAVE SO LITTLE VALUE FOR COMMODITY PRODUCTION RELATIVE TO THE MANY MILLIONS OF OTHER ACRES OF NATIONAL FOREST LAND ALREADY TURNED OVER TO THE SAW, THE SHOVEL AND THE ASPHALT (AND WITH NO OBJECTION FROM ENVIRONMENTALISTS).

INDUSTRY PRESSURES

Pressures generated by the timber industry and others have created the level of controversy which now exists -- pressures backed by a whole vocabulary of scare words intended to incite public and congressional anti-wilderness sentiment. Hence, the talk about a "lock-up" of 62 million acres. Hence, hyperbolic economic predictions about the consequences of such a decision -- despite the fact that no one has advocated a 62-million-acre wilderness allocation in RARE-II.

We can now sort out the real controversy from the fabricated crisis mentality of industry leaders. Members and staff in Congress will be glad to learn that the real controversy is going to involve a great deal less than 62 million acres. In fact, many millions of acres of roadless lands not sought for wilderness by any local group are going to be available for development almost immediately -- with no objection from conservationists, locally or nationally.

From the start of the RARE-II program, industry groups (notably the timber industry trade associations) have pressed the Forest Service and the Secretary of Agriculture with two relentless demands: to complete RARE-II just as quickly as possible -- with a clear emphasis on speed over quality work -- and to minimize the number of roadless areas left in the "further planning" allocation.

Their persistent battle cry: Decide it all, once and for all, and decide it with haste.

Unfortunately, the Department of Agriculture bowed to that pressure, and predictably, the quality of RARE-II's analytical processes suffered in the haste. Because of that haste, no new resource data was gathered about these areas, nor was the relative reliability of the widely varying existing data accounted for. Despite early rhetoric about searching for (or even encouraging) public consensus at the local level over these fundamental land use decisions, RARE-II ended up needlessly aggravating public controversy. By trying to decide more than the available data could justify and more than public consensus would support, the Forest Service ended up with more controversy than necessary -- and less acceptable results, too.

A number of areas were forced into the "non-wilderness" allocation, despite inadequate basic data to justify that decision and despite a high level of continuing public controversy.

INDUSTRY REACTION TO THE DECISIONS

The timber industry has expressed satisfaction with the results of RARE-II -- and no wonder. Look at Oregon and Washington, the nation's two foremost timber producing states, where only 11 percent of the total roadless acreage was recommended for wilderness. Virtually every one of these acres had already been set-aside as a "wilderness study area" in the first review (RARE-I) and had thus been removed from

the calculation of logging levels at least since 1973 -- with no adverse economic impacts. None of these was controversial, most not commercial timber land, but simply "rocks and ice."

Conservationists in those states, who seek a greater diversity in the ecosystems and recreational experiences protected in wilderness areas, are not shouting to the rooftops to celebrate the "wilderness" proposals for lands which have always been safe -- they are incensed at the glaring pro-timber bias in these decisions, and at the exclusion of many important areas, which have been proposed as "non-wilderness" -- and which they will dispute.

RARE-II VIOLATED ITS OWN GROUND RULES

RARE-II was conceived as a process to expedite decisions on wilderness or non-wilderness for those roadless areas where adequate resource data and a relative consensus of public opinion made such accelerated decisions possible. Such a process would, in turn, permit a later, more thorough review and broader public involvement to focus on remaining areas, which simply require a more complete study before sound and publicly - acceptable decisions can be reached. Given this commitment on the part of the Forest Service to gather adequate data and reach public consensus, national organizations and grassroots conservation and sportsmen's groups supported the original concept of RARE-II.

However, the program got badly off track, abandoning this reasonable approach under the hurry-up, do-it-all-quickly pressure from industry (which has always had undue sway on Forest Service policy).

Thus, a valid decision-making process set up for a limited purpose was distorted by trying to do more than it was designed for with poor decisions a predictable outcome.

This is not speculation. At the local level, conservation and sportsmen's groups have divided up the task of following the "fate" of each roadless area of concern. Each step in the internal processes of RARE-II analysis has been closely monitored; each unresolved difference of opinion with Forest Service estimates ("Wilderness Attribute Rating System" or "Development Opportunity Rating System") and other computerized data documented. RARE-II's analytical process appears superficially to be a "black box": data in, neutral computer analysis, objective decisions. Nothing could be further from the truth. *This patina of objectivity cloaks a process which used subjective data, out-of-date resource evaluations, and mis-interpreted public input results to reach decisions which, in a number of cases, are simply unacceptable to local people.* What happened to a particular roadless area in that "black box," and why those errors need to be corrected by Congress, will be the focus of citizens' petitions for congressional review, for those areas where the Forest Service/Secretarial recommendation is disputed.

Among the flagrant failures of the process, brought on by the "decide it all now" pressures, was the erosion of the "further planning" category, which was reduced to virtual insignificance in the results. THIS MINIMIZATION OF "FURTHER PLANNING," WHICH WAS DESIGNED TO PROVIDE FOR MORE DELIBERATE, MORE THOROUGH STUDY, WITH GREATER PUBLIC INVOLVEMENT IN DECISIONS ON INDIVIDUAL ROADLESS AREAS, IS CONTRARY TO ONE OF THE ORIGINAL PREMISES OF RARE-II: TO SEEK CONSENSUS ON AREAS WHERE AGREEMENT WAS POSSIBLE AND TO ALLOCATE OTHERS FOR MORE DETAILED REVIEW.*

* Given this failure, it is well to remember why earlier Forest Service efforts to "resolve" the roadless area issue have also failed.

The Department of Agriculture originated RARE-II because earlier efforts to inventory and evaluate roadless areas had failed -- and simply were not acceptable to a large segment of the public, the Administration, and the Congress. There had been two earlier attempts. First came "RARE-I," in 1971-73, which used erroneous inventory criteria and heavily criticized, highly subjective evaluation criteria. Then, from that failure, the agency sought to reach these roadless area decisions in individual, locally-written land use plans, of which hundreds have been completed. These also led

PUBLIC INPUT: IMPROPERLY USED AND MISREPRESENTED

Public input received by the Forest Service during the RARE-II process has often been incorrectly characterized as anti-wilderness. This is simply wrong. Over 90% of the specific areas which conservationists recommend for wilderness protection received support -- often overwhelming -- from the majority of people who took the trouble to write, in their own words, why that area should be wilderness. The Forest Service ignored its own promise contained in the draft environmental impact statement that "emphasis will be placed on the value of the response content rather than on the number of signatures that support it" (Page 107 of the draft EIS). The timber industry spared no expense to influence these results through form letters and petitions, and the Forest Service gave equal weight to these in their decision-making process. IN THE END, HOWEVER, THE FOREST SERVICE RARE-II RECOMMENDATIONS LARGELY IGNORED PUBLIC SENTIMENT BY ANY STANDARD.

The Forest Service received an all-time record volume of public comment during the RARE-II comment period which ended on October 6. This input was coded for analysis by a large Forest Service team in Salt Lake City. The print-out of this analysis fills about 6,000 pages. As with any large data compilation, all sides can

Footnote continued from previous page:

to heightened controversy, for they followed no guiding criteria and were of astonishingly uneven quality. Indeed, the Chief of the Forest Service himself found it necessary to overturn and remand a whole series of such land plans on grounds that wilderness consideration for roadless areas was biased, incomplete, and even totally absent.

The criticism of these two efforts from Congress was unanimous. (See: Report of the Committee on Interior and Insular Affairs, House of Representatives, to accompany H.R. 3454, the "Endangered American Wilderness Act H.Rept. 95-540, at page 4-6; and see also undated letter of Hon. Frank Church to Chairman Henry M. Jackson, in Roadless Area Review and Evaluation (RARE II), Publication No. 95-92 of the Committee on Energy and Natural Resources, U.S. Senate, February 1978, at page iii).

RARE-II was initiated to reform these earlier problem situations and to (1) help accelerate those decisions which could be speeded up on the basis of adequate data and relative public consensus, while (2) focusing further planning on the other areas requiring more thorough study and public review.

find something in this mass of numbers that can be made to appear to support their particular point of view. The most useful and important part of this is the "RA-1" tables. These area-by-area summaries of all comments reveal that personal letters from the state in which the area is located favored wilderness for virtually every area that conservationists proposed as wilderness -- often by overwhelming margins.

Attached is an example of one such "RA-1" table (in northern California). Although the raw numbers vary widely, the pattern exhibited is characteristic for most of the roadless areas that conservationists supported for wilderness. The in-state personal letters favor wilderness. The non-wilderness sentiment came primarily in various kinds of form responses, often from out-of-state.

DEMAND FOR WILDERNESS: DOUBLING IN A DECADE

Wilderness recreation -- the kind of use these roadless lands are in fact getting today -- is the most rapidly growing form of recreation on our federal lands. It is estimated that public demand for wilderness recreation is growing at a rate of 10% per year. This margin of roadless lands is the only source to meet this burgeoning demand on our national forests. As EPA said, in criticizing the many deficiencies in the RARE-II analytical process and the draft environmental impact statement:

The DEIS emphasizes the benefits of resource development and the costs of wilderness preservation. However, it devotes very little analysis to the benefits of wilderness and none to the costs of resource development. This omission could lead to "double counting," and in any case, is incompatible with modern resource economics principles...

Since other lands are available for development, we believe that the development of roadless areas should proceed only after a clear showing of necessity and feasibility. This is particularly critical since wilderness is, for all practical purposes, a non-renewable resource. A decision to make an area a wilderness is always revocable, but a decision to develop an area suitable for wilderness is irreversible. The irreversibility of a decision to develop wilderness, then, requires that not only the demand of people today for that resource be considered but also the demand of future generations for the resource.

The Forest Service and the timber companies have devoted great energy during the RARE II process to creating the impression that the American public opposes more wilderness. They have criticized wilderness as contrary to multiple-use values even though wilderness includes a broad spectrum of uses such as watershed protection, wildlife habitat, grazing, scientific research, camping, hiking, hunting, fishing, canoeing, cross-country skiing, archeological preservation and the enjoyment of solitude.

Approximately 15.5 million acres of our national forests are now protected in the National Wilderness Preservation System. Given the 15.1 million acres of RARE-II wilderness recommendations, and the additional acreage that could be designated after study of lands in the further planning category and congressionally mandated study areas, only about 20 percent of the National Forest System is ever likely to be considered for inclusion in the Wilderness System. This represents a sadly inadequate balance between preservation and development, given minimal resource conflicts which exist.

PRIORITIES FOR CONGRESS

Because the results of RARE-II have turned out so skewed, and because local conservationists have documented the many faults and failures of the RARE-II analysis, it is now going to be necessary for the Congress to intervene and review those decisions which citizens dispute and contest.

Fortunately, this is not all 62 million acres, but a much smaller number.

Most of the 9.6 million acres of "lower 48" wilderness recommendations are safe anyway, and thus take lower priority. The 11 million acres of "further planning" will undergo other additional review. Thus, the focus is on the 36 million acres of recommended "non-wilderness." Under the Secretary's groundrules, those areas automatically become open to development on April 15th. Citizens have nowhere

else to turn but to Congress (for our groups seek to avoid the complications and possible disruptions of local economies which could result from a broad-brush lawsuit -- though such a suit challenging RARE-II would almost surely prevail).

Again, fortunately, these local citizens do not contest all, and perhaps not even half of this 36 million acres of "non-wilderness". Though RARE-II failed to identify this consensus, it does in fact exist (if it is not drowned out by the crisis atmosphere which industry has sought to stir up). For the non-disputed "non-wilderness" allocations, immediate development under existing plans is possible, without further Administration or Congressional delays. We are working to identify those areas explicitly. If development priority (timber sales, road building) is focused on those non-controversial lands (and the rest of the national forests), there will be no adverse impact or crisis from taking more time to reach better decisions on the balance of the non-wilderness proposals which local people do dispute.

Industry has obtained the lion's share of roadless national forest land. For sixty years they could get into just about any land they wanted -- and they choose the best, most productive lands first. Then, after RARE-I, some 15 million acres of land that were roadless in 1971 were opened up, and again this represented lands on the more productive end of the spectrum. Those lands were not even included in the RARE-II inventory. Now, in the first round of RARE-II results, many millions of additional acres of roadless lands, with the greater portion of timber values and other resources, are proposed for non-wilderness, and for perhaps as much as 20 million of that 36 million acres, there is no conservationist opposition.

There is, however, dispute about perhaps 16 million -- and that is the portion of the inventory on which we ask Congress to focus priority attention.

This is the endangered wilderness of 1979.

Editorials

A rush to cut, dig, drill

The U. S. Forest Service should think in terms of generations if not of centuries. But continuing pressure from lumbermen, mining companies, and enterprising recreational developers makes it hard for Forest Service officials to think beyond the day's schedule of appointments. The result is a built-in bias in favor of early utilization which shows in the recommendations the Forest Service has just drawn up for classifying some 62 million acres of undeveloped land in the national forests.

The Forest Service is proposing to open half the area to immediate development and to preserve less than 20% of the lands in the continental U. S. as wilderness. Understandably, conservationists consider this a sellout to the lumber and mining interests and are raising a storm of protest.

Any decision allocating land to various uses—timber, grazing, oil and gas exploration, or recreation—is going to leave someone dissatisfied, but in this case the critics are right when they say that the Forest Service could have done better. It did not have to choose between keeping land forever wild or opening it for immediate development. There is a third option: Designate the land for "further study." This would have preserved it in wilderness state without closing it entirely to exploration for oil and minerals.

Once land is opened for development, the decision is irrevocable. Both industry and the environmentalists acknowledge that in many cases they do not know enough about a tract to make such a final determination. "Nobody has been through some of this land since Lewis and Clark," admits one timber company official.

Under the circumstances, it would have made sense to put a large part of the 62 million acres in the "further study" classification. Since the Forest Service did not make this move, Congress should overhaul the recommended program to keep future options open.

JANUARY 7, 1979

Shorting the wilderness in Oregon

The timber industry was generally pleased by the U.S. Department of Agriculture's recommendation that only 15 million acres of the roadless areas in the nation held by the government be protected in a natural state and designated as wilderness areas and that 36 million be opened for cutting and other uses.

The happiness among timber cutters and the bitter disappointments expressed by environmentalist groups across the nation are an indication that the proposals were not well balanced.

In Oregon, it was proposed that 370,000 acres be set aside as federal wilderness areas, while 2.2 million acres of roadless lands would be opened up for logging, mining, recreation and other multiple uses. This protected area is far less than the 752,000 acres recommended by Gov. Bob Straub. This would represent, according to Straub, one-half of 1 percent of the current annual harvest from federal forest lands.

No areas were recommended for the Oregon coastal regions where ecological preservations are desirable and could be used for fisheries rejuvenation. No areas were recommended in either the Siskiyou or Umatilla national forests.

The impact of the proposals on Oregon's timber harvest would be small, and phased in gradually. Washington will actually get an increase in permitted cutting, subject to funds for development of timber sales volume.

But it would be possible to preserve coastal wilderness areas without seriously hurting Oregon's annual cut. Better management practices would greatly offset any timber stands lost to areas being preserved for future generations.

A wilderness is not always a timbered forest, but is often grasslands, swamps, mountain peaks and other areas not obviously valuable to industrial mining and timber harvesting. They are not being preserved just for backpackers, but because it is also necessary to save various plant and animal species that may prove of great value to future generations.

A wilderness is a genetic bank, having values not always obvious. It may provide the genetic material for new and improved timber species, help solve disease problems and do valuable things such as protecting streams and rivers, along with preserving fisheries and other wildlife. But if it is lost, these options are forever closed.

In all, only about 11 percent of the 5.5 million acres of roadless lands that were a part of the RARE II (Roadless Area Review and Evaluation) studies in Oregon and Washington were tagged for wildernesses.

Congress, of course, will have the final word on the recommendations. It may incorporate some portions of 10.8 million acres recommended by the department for further study. This would include some 418,000 acres in Oregon, encompassing coastal regions skipped in proposals announced by Bob Bergland, the secretary of agriculture.

The future of these undecided roadless areas is uncertain. Just because they have little access, they may be protected until roads can be constructed. The areas designated for opening will be opened 90 days after Congress convenes unless the Congress does something to countermand the proposals. The odds heavily favor Congress not acting, despite a loud outcry from environmental groups and the heaviest load of mail attracted by any environmental study done by the Agriculture Department.

Now that lumber interests do not have to fear losing upward of 50 percent of the roadless area for timber harvesting, it may be possible to increase the protected 11 percent in Oregon and Washington.

Carving Up The Forests

January 14, 1979

Sacramento, California

SACRAMENTO BEE -- EDITORIAL

The U.S. Forest Service has completed a mammoth study of the 62 million acres of undeveloped land it controls throughout the country. In 18 months, the Forest Service collected volumes of data about wildlife, watershed, minerals, and the local economies of 2,000 different forests, and it considered a record amount of public comment on which areas should be opened to development. Based on this information, the Forest Service determined that 36 million acres should be made available for commercial development, 15 million acres should be preserved as wilderness, and 11 million acres should be studied further, and these recommendations will now be sent to Congress. It was an impressive undertaking, but as it turns out the Forest Service bit off more than it could chew.

Up until now, Congress had considered Forest Service land parcel by parcel, settling each land-use dispute among environmentalists, different localities and different developers on its own merits. The Forest Service had hoped that by presenting Congress with recommendations for every remaining undeveloped area in one giant package, the decision-making process would be speeded and simplified. But that plan has backfired. It now looks as if environmentalists, the lumber industry and various recreation groups will be lobbying Congress over each separate area in the new package anyway. And because all the roadless forests in the country are up for consideration at once, the decision that emerges over any one is likely to be less than well-considered.

Although the Forest Service encouraged public participation in the study process, only general comments for or against preservation of each forest area were tallied. The Forest Service got no public comment about the subdivisions within each area that its final recommendations allocate to different uses. So all the disagreement over specifics that the Forest Service study should have aired, if not resolved, will probably be argued for the first time in congressional hearings.

The Forest Service also moved too fast. Not that more time was necessary for the technical aspects of the study — the Forest Service has been collecting scientific data on these areas for 30 to 40 years. But striking

difficult political balances among important national interests takes longer than the 18 months of the Forest Service study. The state of California refused even to take a position on the 6 million acres of California forest studied, because the state Department of Resources claimed the Forest Service had not allowed it enough time to hash out differences among interested parties within the state and had not set up a useful procedure for resolving these differences. The lack of input from the state will probably make it hard for the Forest Service to gather congressional support for its recommendations.

If dissatisfaction on all sides is a measure of how successfully competing interests were balanced, the Forest Service designations are a signal failure. The lumber industry is largely pleased with the results and environmentalists are largely angry. In California, 2.6 million acres were chosen for development and only 900,000 for preservation. Of the prime timberland in roadless areas, 55 percent was designated for development and only 15 percent for wilderness, and it seems that the go-ahead for development was assigned to the acreage with the highest potential lumber yield, regardless of other considerations. Environmental groups claim that for the most part it was simply the California land least sought after by developers that was set aside for wilderness. Until detailed maps are published we won't know, but it is clear that, overall, wilderness advocates did not fare well, particularly in California.

The stakes are high in these land-use designations. The new acreage set aside for timbering in California represents a potential annual yield of 262 million board-feet or about \$26 million a year for the timber industry. On the other hand, any area designated for development is irretrievably lost to wildlife habitat, grazing and wilderness recreation. Except in a few areas where industry planning requires some quick action, there is no excuse for rushing such far-reaching decisions. Unless Congress directs the Forest Service to slow down, and unless it takes a more detailed look itself at each forest, irrevocable mistakes could be made.

INDIVIDUAL ROADLESS AREA

PREFERENCE BY PROXIMITY AND FORM

AREA 0516R HUCKS LAKE

WILDERNESS
WITH BOUNDARY
MODIFICATIONS

FURTHER PLANNING
WITH BOUNDARY
MODIFICATIONS

INPUTS SIGNATURES

INPUTS SIGNATURES

INPUTS SIGNATURES

INPUTS SIGNATURES

INPUTS SIGNATURES

INPUTS SIGNATURES

IN STATE

PERSONAL LETTERS	450	622	7	7	34	45	3	3	0	0
% OF SUBTOTAL	(96)	(97)	(100)	(100)	(5)	(6)	(100)	(100)	(0)	(0)

RESOLUTIONS	2	2	0	0	0	0	0	0	0	0
% OF SUBTOTAL	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)

RESPONSE X FORM LTRs	12	13	0	0	134	203	0	0	0	0
% OF SUBTOTAL	(3)	(2)	(0)	(0)	(20)	(27)	(0)	(0)	(0)	(0)

RESPONSE FORMS	5	5	0	0	499	499	0	0	0	0
% OF SUBTOTAL	(1)	(1)	(0)	(0)	(75)	(67)	(0)	(0)	(0)	(0)

SUBTOTAL	478	602	7	7	667	747	3	3	0	0
% OF TOTAL	(93)	(93)	(100)	(100)	(85)	(85)	(75)	(75)	(0)	(0)

OUT OF STATE

PERSONAL LETTERS	33	48	0	0	4	4	1	1	0	0
% OF SUBTOTAL	(100)	(100)	(0)	(0)	(3)	(3)	(100)	(100)	(0)	(0)

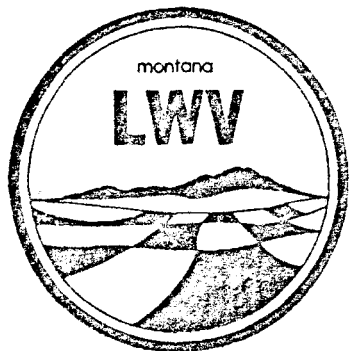
RESOLUTIONS	0	0	0	0	0	0	0	0	0	0
% OF SUBTOTAL	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)

RESPONSE X FORM LTRs	0	0	0	0	3	23	0	0	0	0
% OF SUBTOTAL	(0)	(0)	(0)	(0)	(3)	(17)	(0)	(0)	(0)	(0)

RESPONSE FORMS	0	0	0	0	104	109	0	0	0	0
% OF SUBTOTAL	(0)	(0)	(0)	(0)	(94)	(80)	(0)	(0)	(0)	(0)

SUBTOTAL	33	48	0	0	115	136	1	1	0	0
% OF TOTAL	(7)	(7)	(0)	(0)	(15)	(15)	(25)	(25)	(0)	(0)

TOTAL	516	650	7	7	782	856	4	4	0	0
TOTAL PERCENT	39.4%	48.6%	5%	5%	59.7%	55.7%	3%	3%	0%	0%



Testimony for House Joint Resolution No. 6

March 7, 1979

League of Women Voters of Montana

Although this resolution in its' amended form is much more acceptable than as originally introduced, it still has a very negative tone for the wilderness concept. We take exception to the statement, "Rare II apparently has as it purpose, the expansion of the wilderness system without sufficient involvement with the state and local government." If anything, the recommendation to Congress favored development concerns. If adopted approximately 70% of Montana Forest land would be left for development.

This resolution does not consider the true value of wilderness, nor any thought to a balance between wilderness and development. Important aspects of wilderness include protection of water shed, preservation of exceptionally scenic or fragile lands and generally preserving a quality of life treasured by many Montana's and those visiting our state.

HJR 27 more realistically addressed the Wilderness issue, unfortunately it failed in committee. We recommend either killing HJR 6, or amending it to more factually addressing the wilderness issue.

Willa Hall

HB733
(Third reading copy)
Amendments

This bill consists of amendments to the present law as stated in 85-2-501 through 85-2-502. The majority of HB733 is written within the current law. The major change is to allow the department or board to establish temporary controlled groundwater areas, during which time studies can be made as necessary. Such studies or investigations are already required under 85-2-512 of existing law.

This bill is necessary to give the department the necessary tools to move smoothly from an uncontrolled groundwater area to a controlled groundwater area. Over 90 percent of Montana water is underground. It is absolutely necessary to match the withdrawal of water to the recharge in order to maximize the use of Montana groundwater and to prevent the mining of underground aquifers.

In order to prevent a second Colorado appropriation of groundwater, as presented in the 20/20 TV program, it is suggested to amend HB733.

Therefore, I request that HB733 be amended as follows:

1. Title, lines 6 through 8.

Following: "AREAS;"

Insert: "AND TO REQUIRE LEGISLATIVE APPROVAL BEFORE A PERMIT TO APPROPRIATE WATER FOR THE PURPOSE OF SALE BY THE APPROPRIATOR;"

Following: "85-2-506,"

Strike: "AND"

Following: "85-2-507,"

Insert: "AND 85-2-508,"

2. page 11

Following: line 13

Insert: "Section 4. Section 85-2-508, MCA is amended to read:

"85-2-508. Controlled groundwater areas - permits to appropriate.

(1) A person may appropriate groundwater in a controlled area only by applying for and receiving a permit from the department in accordance with part 3 of this chapter. The department may not grant a permit if the withdrawal would be beyond the capacity of the aquifer or aquifers in the groundwater area to yield groundwater within a reasonable or feasible pumping lift (in the case of pumping developments) or within a reasonable or feasible reduction of pressure (in the case of artesian developments).

(2) No permit to appropriate water for the purpose of sale by the appropriator shall be granted except pursuant to a petition to and an act of the legislature of the State of Montana permitting such action."

Renumber all subsequent sections.

With Reference to HB 733:

This bill consists of amendments to the present law as stated in 85-2-501 through 85-2-502. The majority of HB 733 is written within the current law. The major change is to allow the department or board to establish temporary controlled groundwater areas. During which time studies can be made as necessary. Such studies or investigations are already required under 85-2-512 of existing law.

This bill is necessary to give the department the necessary tools to move smoothly from an uncontrolled groundwater area to a controlled groundwater area. Over 90 percent of Montanas water is underground. It is absolutely necessary to match the withdrawal of water to the recharge in order to maximize the use of Montana groundwater and to prevent mining.

In order to prevent a second Colorado appropriation of groundwater as presented in the 20/20 TV program, it is suggested to amend HB 733 to read.

AB No permits to appropriate ~~groundwater~~ for the purpose of ~~sale and not for the beneficial use of~~ the appropriator shall be granted except pursuant to a petition to and an act of the legislature of the State of Montana permitting such action.

The state or any political subdivision or agency thereof or the United States or any agency thereof is exempt from this requirement.

Sincerely,



C. C. Bowman

Professor,
Agricultural Engineering

March 14, 1979

TO: Zack Stevens, Montana Farm Bureau
FROM: Marilyn Claxton, Secretary to Joe Fields, Park Ridge
RE: Twenty Twenty Program Script

Following is the transcript of the program you requested. I have left all the misspelled words, etc. that were in the original print sent to me. This is verbatim. I shall also put a zerox copy of this in the mail to you. Trust it is the information you require. If you have any questions, please call.

Program: Twenty Twenty Station: WLS TV
Date: February 27, 1979 - 9:00 p.m. City: Chicago

RESOURCE FOR LIFE

HUGH DOWNS: Water! Seventy percent of all we survey. Our most precious resource for life but the well, even in parts of this county is running low and Dave Marash has found that that's leading to some strange speculation out in Colorado. A big grab for water rights. Dave?

DAVE MARASH: Hugh, what determines value, economists shorthand the answer into supply and demand and where suppliers are limited and demand isn't, value can shoot through the roof. In the arid staff of Colorado rain is scarce and all the rivers run out of state which means water is in short supply.

The result is that water may turn out to be awfully valuable to a very few smart people. One man in particular, John Huston has paid out \$300,000.00 in application fees to give him the right to claim a potential 60 billion dollars worth of Colorado water.

The Great Plains of Eastern Colorado. That name the Great Plains was dreamed up by promoters with land to sell after the Civil War. Before that, this territory was known as the Great American Desert.

GOVERNOR RICHARD LAMM: John Gunther in speaking about the west said touch water and you touch everything and that's the dilemma that we're facing here.

MARASH: Dawn, Yuma County, Eastern Colorado. The dawn is probably the right time of day to talk about the great american dream, even on a frosty January morning. The dawn here in Yuma County seems to promise today could be bigger and brighter than yesterday.

Irrigation is what made this desert boom. Without the thousands of wells, this range land or wheat country, with irrigation, corn stalks will soon push out of the snow and corn is a top, cash crop these days. The water for the corn comes from the Ogallala Aquifer.

The Ogallala's, is this countries largest known aquafer or underground lake and farmers have been tapping into it for a hundred years or more. It provides the irrigation water for the plains from Texas to the Dakota's. Its water is being used up.

Common sense could tell us that. Water is a limited resourse and pumps take it out faster than the rain puts it back into the ground but computers tell us even more definitely. Their graph lines go in just one direction, down and it seems at only one speed, faster than ever before. Where will this leave farmers in the next decade? Well, no one really knows but half a dozen federal studies are trying to find out.

Deeper beneath the soil of Colorado there are many other aquafers, some of the biggest, so far down, that it has not been financially practical or even possible to tap into them, until recently.

Today, claims to Colorado's deep bedrock water are in and since the tradition in Colorado water claiming has been first in time, first in line, at this time, one man and his silent partners are first in line for an astonishing amount of water.

STATE SENATOR, HAROLD MCCORMICK: I say it is patently wrong and against the public interest for a small group to attempt to get a corner on heired Colorado's most precious resourse, water.

MARASH: State Senator Harold McCormick wants to protect Colorado's water resourses by buying the state engineer an expert water lawyer. McCormick figures he's staffing up for the water battle of the century.

SENATOR HAROLD MCCORMICK: The eleventh hour nature of the applications, the short circuiting of the state water engineer and the secrecy surrounding this entire, mind-boggling water grab is a mockery of the legitiment water applicant.

MARASH: At the offices of state engineer, Clarence Kuiper, a harried staff used to processing maybe thirty or forty claims a year, this year is wrestling with literally thousands of them. Claims to water in bedrock aquafers, in high mountain reserviors, even water in municipal sewer systems. Claims to water no one has ever figured municipal sewer systems. Claims to water no one has ever figured out how to use before and for every claim, there is an objection or several objections. The stacks of paper pile up and state engineer Kuiper says so do the potential profits.

MARASH: In terms of dollar value, what sort of scale are we talking about, should all 6,000 of those wells be productive?

STATE ENGINEER, CLARENCE KUIPER: Oh Gee, if he would take all of the bedrock water in the Denver Basin, that would amount to 300 million acre feet.

MARASH: What would be the rough dollar value of today's market prices?

KUIPER: Then you're talking in the neighborhood of thirty billion dollars.

MARASH: That's just within the Denver Basin, that doesn't count thousand

of other claims, does it that Huston has made.

KUIPER: That's right. That's in the Denver Basin and then if you would go into the Dakota and the Cheyenne formations and the Arkansas River, then you would have perhaps that same amount.

MARASH: Another thirty billion dollars worth of water?

KUIPER: That's correct.

MARASH: Who is this perspective billionaire? Senator McCormich calls him a shadow and Colorado's newspapers have labeled him a mystery man but we found John Huston to be a quiet unassuming twenty-seven lawyer and geologist. He's married, has no children and he's got a fondness for long vacations to exotic places like New Zealand and Tahiti. Our interview with John Huston was the first one he's given and in it, he showed very little inclination to discuss his business.

Can you talk to us at all about what the ideas are? What sort of project is in the works?

JOHN HUSTON: Well, we're in the acquisition stage for obtaining the real estate that we need to use the water and so, I think it will make things difficult for us from that standpoint if we talk too much about it.

MARASH: State Engineer, Clarence Kuiper told us that he thinks the water that you claimed is worth 60 billion dollars.

HUSTON: Well, I don't think that it is anywhere close to that.

HAROLD MCCORMICK: Why do they want to control such vast amounts of water and not say to anybody publicly to what use they planned to put it? I think this is a question that needs to be answered.

MARASH: Not according to Sandy White it doesn't. White is John Huston's very well regarded water lawyer and he says Colorado law requires no such disclosure.

MARASH: In a case where you're talking about a fine art resource like water, that's so key to the state's economy, isn't there something of a burden on the developer to be more explicit with the public?

MICHAEL WHITE: Not under Colorado law. There maybe some moral obligation to come forth sometime and explain exactly what the water is to be used for. I can say in general terms that the water will be used not only for recreational purposes but for industrial and agricultural purposes. The state government and local government, they're unimaginative and have done very little in the water area and if we're going to have the water we need to grow in this state and develop, it's got to come from private development.

MARASH: One of your antagonists from the attorney-general's office, Greg Hobbs has said and I'm quoting "Mr. White's theory is that anyone in the state can go on to anyone else's property, sink a well and appropriate the deep underground water." Is that a fair characterization of your theory?

WHITE: That's the law in the state. In fact, in Colorado, we have a constitutional provision that simply states that if I need to get across your land and get to water, I have the private right of condemnation to cross your land.

MARASH: In other words, under the Colorado theory of appropriation, if the water is there, it's there to be taken.

WHITE: That's right. It's like the old mining law. The idea was to develop the resource and if the person upon whose land the resource is found doesn't bother to develop it, then it is available for anyone in the public.

GOVERNOR RICHARD LAMM: We've known that that timebomb has been in our constitution but there has been a lack of consensus, when you deal with such an essential provision of what you change it to. Everybody knows it is bad but nobody can agree on what's good.

MARASH: The idea of developers digging water from beneath their land appeals to farmers about as much as a hail storm. Frank Milenski of Swink, Colorado who has farmed for thirty years and has seen his share of hail storms, has seen none that has made him madder than John Huston's claims.

FRANK MILENSKI: These massive filings are a threat to every water right in the state of Colorado and to every piece of agriculture land in the state of Colorado. Without water, we don't have farms. We have land but we don't have a farm. Water is our lifeline. This protect our water rights.

MARASH: John Huston claims the water is down there, it ought to be developed and that you, Frank Milenski, haven't developed it and so it is in the interests of the state, that he develop it. What is your answer to him?

MILENSKI: Nothing but a water grab. I think you have to use a little bit of common sense and I don't think it is going to do the state of Colorado any good. It looks like to me somebody is after the all-mighty dollar, the fastest way he can go.

HUSTON: I think the one thing that people do forget is that we are actually going to use this water for something. I do think that we are going to create a lot of jobs and I do think that we are going to develop the prototype for water development in this state and in the arid states of the southwest.

MARASH: Are you afraid that you might be standing in the way of progress?

MILENSKI: No, there's a new name for morality in many cases, it's called

MARASH: And where do you see the sin here?

SENATOR MCCORMICK: I think again, the massiveness of the application, the secrecy and the refusal of the people to say what use they intend to put this great amount of water to. We can't tolerate that.

MARASH: What's your response when you hear Senator McCormick raise these specters?

HUSTON: Well, I do alot of talking to myself alone in my automobile.

MARASH: If all your claims go through, do you expect to make alot of money out of this?

HUSTON: I think we will.

MARASH: Is that a thought that gives you alot of pleasure?

HUSTON: From time to time.

MARASH: The dust bowl was one warning. The falling levels of the Ogalala aquafer, another but neither one brought Colorado comprehensive water planning. Governor Lamm insists that it is still not to late but as things stand now, Colorado's water future has become an argument between a dwindling number of large land holders including banks and foreign investors and an even smaller number of smart speculators like John Huston and his friends.

The rest of the people of the state are simply caught in that narrow space between supply and demand, hugh?

PROPOSED AMENDMENTS TO HOUSE BILL 717

1. Page 1, line 21.

Following: "project"

Insert: "to the state of Montana"

2. Page 2, line 1.

Strike: "abandon OR OTHERWISE"

Following: "project"

Insert: "as provided in [section 3]"

3. Page 2, after line 3.

Insert: "If the department is not able to dispose of the project as provided in [section 3], then the project shall be abandoned as provided in [section 4]."

4. Page 2, after line 15.

Insert: "Section 3. Disposition of project. (1) Prior to July 1, 1982, the department may dispose of the Daly ditch water project by transfer, sale, or other legal conveyance to a person legally qualified to enter into contracts and operate and maintain the project. Preference shall be given to an organization of project water users formed to operate the project.

(2) Upon conveyance of the project, the department shall transfer all water rights, real property, personal property, equipment, fixtures, headgates, structures, canals, dikes, lateral ditches, dams, and reservoirs related to the project.

(3) If the department has entered into an agreement to transfer the project prior to July 1, 1982, but the actual transfer has not been effectuated prior to July 1, 1982, the department shall not abandon the project as provided in [section 4] until December 31, 1982."

5. Page 2, line 16.

Following: "Section"

Strike: "3"

Insert: "4"

6. Page 2, line 16.

Strike: "DISPOSITION"

Insert: "Abandonment"

Following: "(1)"

Strike: "(A)"

7. Page 2, lines 17 and 18.

Strike: lines 17 and 18 in their entirety

Insert: "If the project is not disposed of as provided in [section 3], the department shall abandon the project no later than December 31, 1982."

8. Page 2, line 19.

Strike: "(B)"

Insert: "(2)"

9. Page 2, line 23.

Strike: "(C)"

Insert: "(3)"

10. Page 3, lines 2 through 23.

Strike: lines 2 through 23 in their entirety

11. Page 3, line 24.

Strike: "(D)"

Insert: "(4)"

12. Page 4, after line 1.

Insert: "Section 5. Operation and maintenance."

13. Page 4, line 2.

Strike: "(3)"

Following: "OPERATE"

Insert: "and maintain"

14. Page 4, line 3.

Strike: "1981"

Insert: "1982"

15. Page 4, lines 3 and 4.

Strike: "IF EARLIER THAN JULY 1, 1981"

Insert: "or abandoned as provided in this act"

16. Page 4, lines 5, 15 and 23.

Re-number these sections accordingly

17. Page 5, after line 3.

Insert: "Section 9. Advisory council. (1) The department shall appoint an advisory council comprised of 3 legislators from Ravalli County and 3 representatives of the Daly ditch water users. In addition, the department may appoint one additional legislator to serve on the advisory council.

(2) The advisory council shall make recommendations concerning the disposition of the project pursuant to the provisions of this act, repair of the project and all questions of operation and maintenance.

(3) The advisory council shall be created as provided in section 2-15-122, MCA.

(4) The advisory council terminates ~~on~~ no later than December 31, 1982."

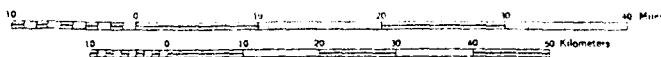
18. Page 5, lines 4 ~~through~~ 10.

Re-number these sections accordingly

U. S. DEPARTMENT OF AGRICULTURE
FOREST SERVICE

John R. McGuire, Chief

ROADLESS AND UNDEVELOPED
AREA EVALUATION II
RARE II
FINAL ENVIRONMENTAL STATEMENT
January 1979
NATIONAL FORESTS
IDAHO
BOISE MERIDIAN



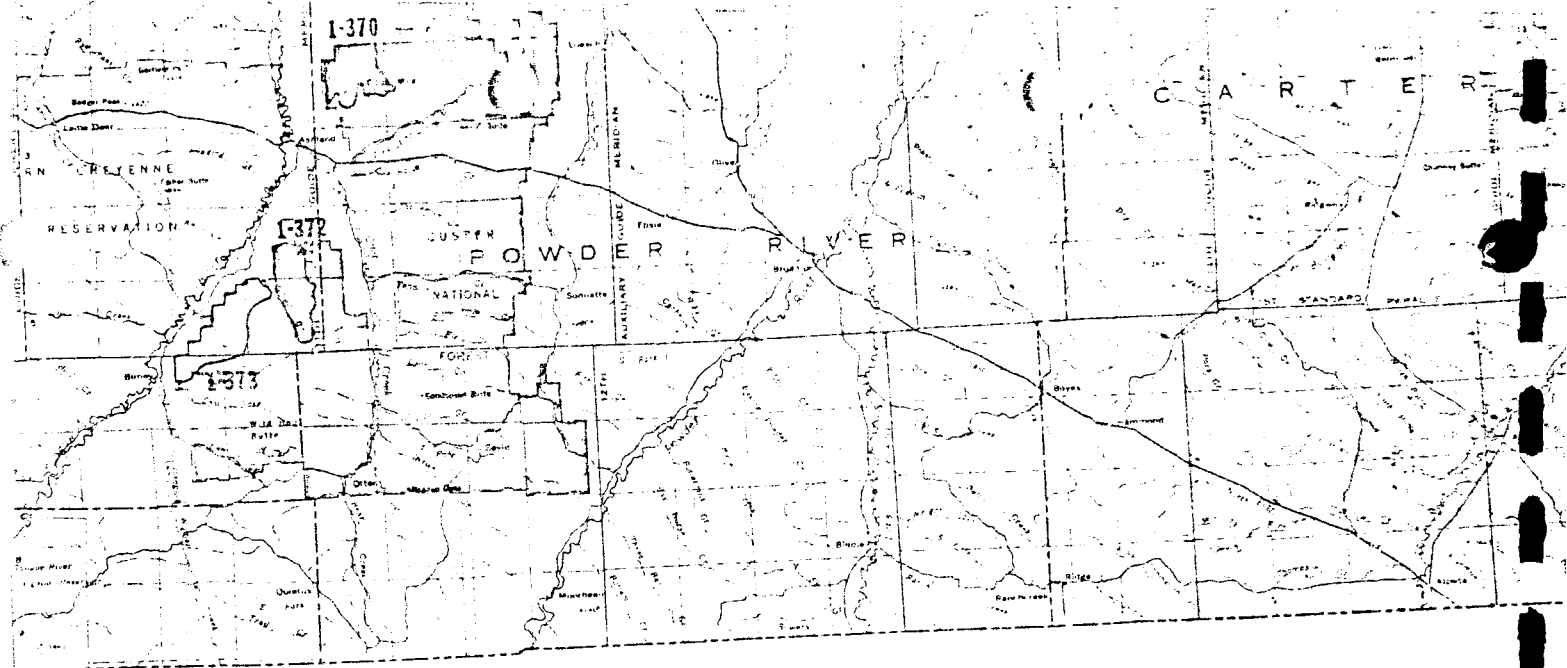
Contour Interval 500 feet
Datum is mean sea level

Compiled, edited, and published by the Geological Survey, 1967 North American Datum.
Lambert conformal cone projection based on standard parallels 33° and 45°.

- | | |
|---|-------------------------|
| ⊙ State capital | — Interstate highway |
| ⋄ County seat | — U. S. highway |
| ○ City, town, or village | — State highway |
| ✕ Scheduled service airport | — Other principal roads |
| □ Built-up area (shown for towns over 5,000 population) | |

LEGEND

- | | |
|---|--|
| □ | Existing Wilderness Areas
(All Agencies) |
| □ | Administratively Endorsed Wilderness
Proposals (All Agencies) |
| □ | RARE II Roadless Area
(All Agencies) |










U.S. DEPARTMENT OF AGRICULTURE
FOREST SERVICE
John R. McGuire, Chief

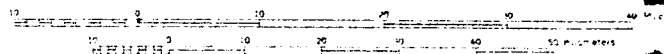
RARE II FINAL ENVIRONMENTAL STATEMENT NORTHERN REGION NATIONAL FORESTS MONTANA PRINCIPAL MERIDIAN

JANUARY 1979

Scale 1:1,000,000

LEGEND

-  Existing Wilderness
-  Administratively Endorsed Wilderness Proposals
- RARE II ROADLESS AREAS**
 -  Wilderness Recommendation
 -  Further Planning
 -  Nonwilderness
- OTHER NATIONAL FORESTS**
 -  System Lands
 -  Congressionally Designated Study Areas



106°00'

105°00'

STATEMENT OF INTENT RE: HB 329

Because section 16 of this bill delegates authority to the governor to adopt administrative rules, this statement of intent is attached to the bill pursuant to 5-4-404, MCA.

Rules adopted under section 16 may include guidelines for determining the types and extent of limitations to be placed on energy use when a curtailment of essential services or production of essential goods has or will take place as the result of an existing or imminent shortage of energy, thereby causing an energy emergency to be declared.

Further, the rules adopted may include guidelines concerning actions required to be taken to reduce energy use when a condition of energy supply will affect significantly the availability of essential energy supplies under the declaration of an energy supply alert. The rules may also include guidelines used in determining whether supply conditions warrant a condition of energy supply alert or energy emergency to be declared by the governor.

All rules adopted pursuant to this bill shall be with the advice of the energy policy committee established by this bill.

First adopted by the Senate Natural Resources Committee on March 19, 1979.