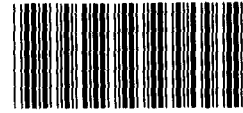


GAO

Testimony



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GAO Observations on Timber Harvesting
and Forest Development Needs on Indian
Reservations

Statement for the Record by
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Before the
Select Committee on Indian Affairs
United States Senate



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Dear Mr. Chairman, Mr. Vice-Chairman, and Members of the Committee:

We are pleased to provide this statement for the record on the results to date of our ongoing work addressing the Bureau of Indian Affairs' (BIA) forestry program. Our work is updating a 1975 report.¹ At that time, BIA was pursuing a goal of maximizing timber production on Indian timber lands, as represented by BIA's official estimate of Annual Allowable Cut (AAC), but was only harvesting about 78 percent of the AAC of 1 billion board feet. We also reported, among other things, that important forest development work was not being done.

Our current work indicates that, as a result of greater tribal influence in shaping the Indian forestry program,

- some reservations are pursuing harvesting goals that are below BIA's official AAC;
- some tribal harvesting policies and practices produce less volume and contribute to shortfalls in meeting harvesting goals, and
- harvesting is more compatible with tribal preferences for the use of the land.

¹Indian Natural Resources--Opportunities For Improved Management And Increased Productivity. Part I: Forest Land, Rangeland, and Cropland (GAO/RED-76-8, Aug. 18, 1975).

Concerning forest development work, about one-half of the acreage estimated in 1977 as needing forest development work (referred to as the 1977 backlog) remains undone. However, because of problems in inventory identification and recordkeeping, we believe it is no longer appropriate to continue using the 1977 backlog as the basis for providing dedicated funding for forest development. First, the estimated backlog was less than complete and did not adequately define the acres and type of work that was needed. Second, the reporting of accomplishments against the backlog is inconsistent. And third, the inventory reported in 1977 is now outdated and is not a good indicator of current forest development needs.

Our statement is based on work performed to date at five Indian reservations--Menominee in Wisconsin, Yakima and Colville in Washington, and Fort Apache and San Carlos in Arizona. In fiscal year 1989, these tribes accounted for 38 percent of the timber harvested under BIA's forestry program and 35 percent of the total commercial timberland acreage on Indian forest lands.

TIMBER HARVESTING

Between 1975 and 1989, BIA's annual harvest volume has averaged about 72 percent of the official AAC, with individual annual harvests ranging from 51 percent to 88 percent. However, because greater tribal influence in defining individual

reservation goals has changed the emphasis of the forestry program, BIA's official AAC may not reflect each reservation's current harvesting goals. Thus comparisons of annual harvests to BIA's official AAC are misleading as an indicator of whether harvests are meeting goals. Two of the reservations we visited were using goals that differed significantly from BIA's official AAC, as indicated below.

-- The Colville reservation's most recently approved forest management plan was approved in 1961 and contains BIA's official AAC for Colville of 120 million board feet. However, with BIA agency office agreement, the Colville reservation has for several years been using a goal of 80 million board feet. For fiscal years 1988 and 1989, Colville has harvested 111 percent and 89 percent of this revised goal.

-- Fort Apache's current approved plan for 1981 to 1990 contains an official AAC of 97.2 million board feet. However, for 1988 and 1989, the reservation has been harvesting against a lower goal of 67.6 million board feet which, according to BIA agency and tribal officials, more closely reflects tribal preferences. During these 2 years the reservation harvested 90 percent and 110 percent of this lower goal.

Two of the other three reservations we visited--Yakima and Menominee--use BIA's official AAC as their harvesting goals. Over the past 5 years their actual harvests have averaged about 67 percent and 65 percent of their respective goals. The fifth reservation, San Carlos, has a small forestry program and has not harvested any timber since 1981. However, the reservation plans to harvest its entire 10-year goal of 29.5 million board feet (2.95 million a year for 10 years) during the last 2 years of its current plan, which runs through 1991.

According to BIA and tribal representatives, actual annual harvests overall have not reached goals for a variety of reasons. These reasons include national or local conditions such as poor markets, as well as circumstances specific to an individual reservation, such as

- the occurrence of fire or disease,
- the ability of the reservation's forestry program staff to prepare and complete sales adequate to meet the goal, and
- inefficiencies in the actual harvesting effort.

At the reservations we visited, tribal practices were a recurring significant factor limiting the amount of timber

harvested in a given year or during individual sales. Examples cited by BIA and tribal officials include tribal decisions on

- the use or extent of clearcutting;
- the cutting of trees near streams, roads, and wildlife areas;
- the use of workers other than tribal members or BIA staff;
- the kinds of trees that can or cannot be cut; or
- the application of other restrictions on cutting within prescribed sales areas.

Because of such policy changes or unexpected requirements, less timber may be harvested during a given sale than had been planned, so that over the course of the year annual harvest volumes can be significantly reduced.

Tribal decisions such as these can be made by tribal councils whose membership can differ from those of councils serving when harvest goals are developed or when specific sales are initially planned. This situation occurs because membership in tribal councils can change yearly, while forest management plans usually

cover a 10-year period and individual timber sales can take as long as 4 or 5 years to prepare before actual harvest.

FOREST DEVELOPMENT

In our 1975 report we concluded that forest development work, such as reforestation and thinning, which is important in maintaining and enhancing commercial timberland productivity, was not being done.² Subsequently, BIA identified a backlog of forest development work on about 1 million acres of commercial Indian forest land as of 1977. The Congress then authorized special funding to complete the reported backlog of forest development work.

From fiscal years 1977 through 1989, the Congress appropriated about \$81 million in special funding to reduce the backlog. This special funding program is the only dedicated funding for forest development on Indian forest lands. The use of other forestry program funds for forest development activities is discretionary, with the decisions left to the tribes or BIA Agency offices. According to BIA, as of the end of fiscal year 1989, about one-half of the reported backlog work had been accomplished.

²Forest development involves reforestation and timber stand improvement activities applied to a forest to establish and raise a stand of trees to commercial size and value. It also entails repeating the process in perpetuity under the principle of sustained-yield management.

Our ongoing work indicates that the original backlog estimate of about 1 million acres was highly speculative. At the five reservations we visited, there were indications that the original 1977 backlog was not accurate. For example, Colville's reported backlog was based on "observations" made in 1962. And when two other reservations--Fort Apache and San Carlos--subsequently re-evaluated their forest development needs, they concluded that their reported backlog was not a good measure of the forest development work needed.

Moreover, although BIA reports that about one-half of the 1977 backlog work has been accomplished, progress in completing the reported backlog is uncertain for the following reasons.

- Because the reported backlog of individual reservations was not always adequately defined in terms of specific acres and treatments, it is difficult to measure the completion of forest development work against the reported backlog.
- Reservations differ significantly in how they measure and report the accomplishment of backlog work. Two reservations--Menominee and Colville--report backlog work as accomplished only if the work is paid for with special backlog funds. The development work on acreage reported as part of the backlog is not treated as a backlog accomplishment if it is paid for with other funds. Until

1985, Fort Apache was reporting all its forest development work on backlog acreage as accomplishments regardless of how it was funded. In 1985, it changed to reporting as backlog accomplishments only work that special funding had paid for. Conversely, Yakima counted all forest development work on its reported backlog as accomplishments even though a lot of the work was paid for with other funds. As a result, Yakima reported that its 1977 backlog was completed in fiscal year 1988 and has received no special backlog funding since then.

Furthermore, some reservations indicated that other forest development needs that were either inadvertently left out of the 1977 backlog or which have since occurred may be more important than some remaining backlog work. All of the reservations we visited have identified or are aware of forest development needs beyond any undone 1977 backlog work.

On the basis of our findings to date, we believe using the 1977 backlog as the basis for providing dedicated forest development funding is no longer appropriate.

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In summary, much has changed in the intervening years since we issued our 1975 report on maximizing timber production on Indian

forest lands and since BIA identified its 1977 backlog of forest development work. Greater emphasis is now being given in timber harvesting to satisfying tribal preferences rather than to maximizing production. Also, the passage of time has made BIA's previously identified backlog outdated and not representative of current forest development needs.