

Ending Timber Sales on National Forests: THE FACTS (FY '97)

Copyright March 1999 By Chad Hanson

(Published in the April 1999 Issue of the Earth Island Journal)

REPORT SUMMARY:

This report analyzes the issues surrounding an end to the timber sales program on national forests. Among the findings are the following:

- ✓ The findings in this report were reviewed and verified by the Congressional Research Service (CRS). In a report dated March 18, 1999 CRS concluded that "The timber sale receipts deposited in the General Treasury in FY1997 were a small fraction of timber program expenditures. Thus, one can conclude that \$1.2 billion is a "reasonable estimate" of the "net cash loss" from the Forest Service's FY1997 timber program to taxpayers."
- ✓ If we ended the timber sales program on national forests and redirected the logging subsidies we could provide over \$30,000 for each public lands timber worker for retraining or ecological restoration work - - and still have over \$800 million left over for taxpayer savings in the first year alone.
- ✓ We don't need to log national forests for our timber supply, given the fact that the timber cut annually from national forests nationwide now comprises only 3.3% of this nation's total annual wood consumption, and less than 4% of the sawtimber used for construction.
- ✓ Logging on national forests INCREASES the risk of forest fires more than any other human activity.
- ✓ A bipartisan nationwide poll conducted in 1998 found that 69% of Americans now oppose allowing timber companies to log our national forests.

In summary, the national forest timber sales program, in addition to being horribly destructive ecologically, loses hundreds of millions of taxpayer dollars each year, increases forest fires, is unnecessary for our timber supply and should be ended.

ENDING TIMBER SALES ON NATIONAL FORESTS: THE FACTS

Volume 2 (Spring 1999) Copyright March 1999 By Chad Hanson

"The only trouble with the movement for the preservation of our forests is that it has not gone nearly far enough, and was not begun soon enough."

--Teddy Roosevelt, 1908

METHODOLOGY: This report includes a cash flow analysis which assesses the impact of the national forest timber sale program on the federal budget--using the Forest Service's own figures. The goal is to gauge expenditures associated with the timber sale program (i.e. expenditures which result from the overall timber sale program, including those related to anticipated future sales--not just current year timber sales), tabulate timber sale revenue, and determine the net effect on the budget--i.e., taxpayers. This analysis attempts to include all expenditures which would not exist if there were no timber sales program, such as in national parks. It, therefore, includes some expenditures which are often referred to as "indirect" expenses. Where exact figures were unavailable, and a rational means of approximation could be devised, estimates were used.

However, it must be pointed out that the cash loss estimated in this report may be conservative, since several expenditures associated with logging were not included, either because figures do not exist or because no rational means of estimation has yet been devised. For instance, logging has now been identified as one of the primary causes of floods and mudslides. The preliminary damage estimate of the 1996 winter floods was \$538 million for Oregon alone [1]. Taxpayers pay for this through disaster relief appropriations. Further, for fiscal year 1997, \$67.4 million was appropriated for "emergency supplemental" expenditures to repair roads and facilities damaged by mudslides. Much of this expenditure undoubtedly went to repair logging roads, or to repair damage caused by mudslides which resulted from previous logging operations that destabilized the soil--though no reliable estimate is currently available.

Nor are estimates attempted for the logging-related portion of maintenance of facilities (total appropriation of \$23 million for 1997) or law enforcement (total appropriation of \$59.6 million for 1997, a substantial but unknown portion of which is used for timber theft investigations, as well as investigations and arrests of citizens who protest Forest Service logging practices). Likewise, \$21.8 million was appropriated for fiscal year 1997 for threatened and endangered species on national forests--an expense which, in large part, would not be necessary but for the habitat destruction caused by logging -- though, once again, no rational means of estimation has yet been devised to calculate the logging-related portion of this expenditure. Additionally, the "spotted owl payments" appropriation (\$135 million), though it could have legitimately been factored in, was excluded from this analysis.

JOBS & ECONOMY: In fiscal year 1997, over \$1.3 billion was appropriated from the General Fund of the U.S. Treasury (i.e. from taxpayers' pockets) for expenditures associated with the timber sale program on national forests (see Figure 1 below). In addition, the Forest Service spent another \$466 million from its off-budget logging accounts for additional expenses of the logging program (see Figure 2 below).

In the same year, the logging program generated only \$555 million in timber sales receipts; and only \$68 million of these receipts were returned to the General Fund of the Treasury (see Figure 4 below). Instead of going to taxpayers, most of these receipts were funneled back into the Forest Service's various timber accounts for future logging operations. Some were also used for logging-related payments to states.

Since over \$1.3 billion was taken directly from taxpayers' pockets in 1997 for expenditures associated with the national forest logging program, and only \$68 million was returned, the net cash loss to taxpayers in FY1997 was, therefore, over \$1.2 billion (see Figure 5 below).

Federal funds are currently used to pay the costs of logging road construction, timber sale planning and administration, and replanting and restoration expenses, as well as many other costs.

Contrary to the timber industry's frequent claims that the cause of below-cost timber sales on public lands is environmental regulations, the most recent figures available from the Forest Service show that all environmental analysis/documentation and appeals/litigation costs total only \$73.4 million [2]--less than 4% of the total expense of the logging program, according to the combined total in Figure 3 below.

To put the federal timber subsidy in perspective, if we ended all commercial logging on our nation's national forests, and redirected these logging subsidies into timber community transition assistance, we would have over \$30,000 for each public lands timber worker for job retraining and/or ecological restoration work (which is significantly higher than the average current timber worker salary) [3]—and still have over \$800 million left over for taxpayer savings in the first year alone [4].

In addition, recreation, hunting and fishing in national forests contribute vastly more income to the nation's economy, and generate far more jobs, than logging on national forests. And the gap is widening. In fact, the Forest Service itself predicts that, by the year 2000, recreation, hunting, and fishing in national forests will contribute 38.1 times more income to the nation's economy, and will create 31.4 times more jobs, than logging on national forests [5].

The timber industry frequently attempts to paint a "jobs vs. environment" picture, charging that environmental protection has caused sawmill closures and job losses. The facts, however, paint a very different picture. A 1997 study by Freudenberg et al recently published in the academic journal *Sociological Perspectives* (Vol. 41, #1) found that the vast majority of timber job losses and mill closures occurred before logging restrictions to protect the northern spotted owl and other

forest species began in the early 1990's. Between 1979 and 1989--a period of extremely high logging levels on Northwest federal forests--timber employment in Oregon and Washington fell by about 20,000 workers. The study found that the culprit was not environmental protections, but automation and the loss of old-growth forests due to logging itself. What's more, a December of 1995 study by dozens of the Northwest's most prominent economists, entitled "Economic Well-Being and Environmental Protection in the Pacific Northwest", found that, between 1988 and 1994, the number of jobs in the Pacific Northwest increased by 940,000, and earnings rose by 24%. The report found that many of the new jobs were being attracted by the prospects of increased environmental protection and quality in the region. Even the most "timber-dependent" counties are reporting a net increase in jobs (see New York Times, October 11, 1994).

TIMBER SUPPLY: The total annual U.S. wood consumption is 100.3 billion board feet [6], while the annual timber volume cut from U.S. national forests is currently 3.28 billion board feet [7]--only 3.3% of the nation's total yearly timber consumption (It is important to point out, however, that this level of logging does in fact result in a very serious deforestation rate of 457,848 acres per year [8], or about two square miles each day, on our national forests).

The total annual U.S. consumption of roundwood for lumber, plywood, and veneer is approximately 50.4 billion board feet [9], while the total annual production of all sawtimber from national forests is approximately 1.92 billion board feet [10]--about 3.8% of the total. In other words, of all the wood materials used annually in the U.S. for housing and commercial construction, less than 4% comes from our national forests.

We simply don't need to log public forests for our timber supply—especially when so much is being wasted currently. For example, approximately 48% of all U.S. hardwood lumber production in 1992 was for the manufacture of shipping pallets [11]. Industry sources estimate that 54% of these pallets are used just once, then thrown away, ending up in landfills [12].

PUBLIC OPINION: The Forest Service's own 1994 nationwide poll found that 58% of Americans expressing an opinion on this issue oppose any commodity production on federal public forests [13]. A 1998 poll, which was conducted jointly by prominent Republican and Democrat pollsters, and commissioned by Taxpayers for Common Sense, found that 69% of Americans now oppose continuing to allow timber companies to log our national forests [14].

PRIVATE LANDS: As two conservative economists pointed out in a recent editorial in the Wall Street Journal, "government 'dumping' of cheap timber makes the market unpredictable for private-sector commodity suppliers, reducing their incentive to

manage land responsibly...It's time for the Forest Service to abandon its role as a producer of commodities...." [15] In other words, many private landowners are overcutting their lands to compensate for lost profits as they struggle to compete with the subsidized public timber that is flooding the market.

LOGGING INCREASES RISK OF FOREST FIRES: The 1996 scientific study of the Sierra Nevada forests, which was commissioned and funded by Congress, found that "Timber harvest, through its effects on forest structure, local microclimate, and fuel accumulation, has increased fire severity more than any other recent human activity." [16]

HISTORY OF NATIONAL FORESTS: Commercial logging was illegal on national forests when they were first established in 1891. [17] It was not until June 4, 1897 that national forests were first opened up to timber sales--by an appropriations rider. [18]

Fig. 1. Funds Appropriated from General Fund of U.S. Treasury for National Forest Logging Program Expenses, FY 1997 (in millions):

Timber Sales Management [19]:	196.0
Forestland Vegetation Mgmt. [20]:	55.8
Land Management Planning, Inventory, and Monitoring [21]:	92.4
Timber Research [22]:	82.2
Landline location [23]:	14.0
Road maintenance [24]:	54.1
Forest "health"/productivity management [25]:	33.2
Support for timber sales [26]:	38.4
Forest Roads Program [27]:	59.0
Fire Management to maintain timber commodity values [28]:	372.0
Fire Management for timber commodity, covering FY96 costs [29]:	210.6
General Administration [30]:	101.9
Damage from floods and mudslides caused by logging:	(unknown)
Total:	1,309.6

Fig. 2. Federal Monies Spent from Forest Service Timber Accounts in U.S. Treasury, FY 1997 (in millions) [31]:

K-V "Reforestation" [32]:	52.5
K-V "Timber Stand Improvement" [33]:	24.8

K-V Other [34]:	86.7
Reforestation Trust Fund [35]:	30.4
Salvage Sale Fund [36]:	174.0
Purchaser Elect Logging Roads [37]:	7.5
Payments to States (not including Spotted Owl payment) [38]:	89.7
Total:	465.6

Fig. 3. Total Combined Expenses of the Forest Service Logging Program, FY 1997 (in millions):

Money Appropriated from General Fund of U.S. Treasury:	1,309.6
Funds spent from Forest Service logging accounts:	465.6
Total Expense:	1,775.2

Fig. 4. Distribution of FY 1997 Timber Sales Receipts (in millions):

Gross USFS timber sales receipts, FY 1997 [39]:	554.6
Less distribution to K-V Fund [40]:	-123.8
Less distribution to Salvage Sale Fund [41]:	-155.6
Less distribution to purchaser road credits [42]:	-36.9
Less distribution to associated charges [43]:	-46.7
Less interest and penalties assessed [44]:	-0.9
Remaining timber receipts deposited into the National Forest Fund (NFF) [45]:	190.7
Less distribution from NFF to payments to states [46]:	-89.7
Less distribution from NFF to roads and trails [47]:	-19.1
Less distribution from NFF into Purchaser-Elect Logging Roads account [48]:	-4.2
Less distribution from NFF into "Timber Sales Pipeline Restoration Fund" [49]:	-9.4
Total timber sales receipts returned to General Fund of U.S. Treasury [50]:	68.3

Fig. 5. Total Net Loss to Taxpayers from Timber Sales Program on National Forests, FY 1997 (in millions):

Total appropriated funds taken out of General Fund of

U.S. Treasury for logging-related expenditures:	-1,309.6
Total timber sales receipts returned to the General Fund of U.S. Treasury:	68.3
FY 1997 Total Net Loss to Taxpayers (in millions):	-1,241.3

Endnotes:

[1] "Counties Tallying Damage Estimates from Flood of '96", Eugene Register-Guard, p. 38, 2/17/96; "Clear-cuts, roads increase rivers' flows, study says", Eugene Register-Guard, 3/13/96.

[2] U.S. General Accounting Office, "Forest Service: Distribution of Timber Sales Receipts--Fiscal Years 1995 Through 1997", Table 2.

[3] U.S. Forest Service, Timber Sale Program Annual Report, Fiscal Year 1997, p.12 (The Forest Service estimates that 55,535 people are employed as a result of the national forest timber program, including direct, indirect, and "induced" jobs. A general rule sometimes used by Forest Service staff to calculate a very rough estimate of the number of timber workers (i.e. direct jobs) employed nationally as a result of the logging program on national forests is to divide the total jobs figure by a factor of two (i.e. 55,535 divided by 2 = roughly 28,000).

[4] There are roughly 28,000 timber workers (loggers, mill workers, log truck drivers, etc.) employed as a result of the national forest timber program nationwide (see Note 3 above). To provide \$30,000 for each of these workers for retraining or ecological restoration work, it would cost approximately \$840 million.

Not including payments to states, \$375.9 million was spent from the Forest Service's off-budget logging accounts in fiscal year 1997 (see Figure 2 above), and \$1.31 billion was appropriated out of the General Fund of the U.S. Treasury for logging-related expenditures (see Figure 1 above). Together, these funds add up to about \$1.69 billion--over \$800 million more than the amount necessary to provide each current public lands timber worker with \$30,000 for retraining or restoration work.

[5] U.S. Forest Service, The Forest Service Program for Forest and Rangeland Resources: A Long-Term Strategic Plan, Draft 1995 RPA Program, Oct. 1995, pp. IV-2 & IV-3

[6] U.S. Forest Service Forest Products Lab, Madison, WI, 1994; see note 9 below (This figure is measured in terms of raw wood, not lumber or other finished products).

[7] U.S. Forest Service, Timber Sale Program Annual Report, Fiscal Year 1997, p. 10 (This figure is measured in terms of raw wood, not lumber or other finished products).

[8] Id., p.11

[9] "U.S. Timber Production, Trade, Consumption, and Price Statistics: 1965 to 1994", U.S. Forest Service, Forest Products Lab, Madison, WI, 1997 (soon to be published) (This figure is measured in terms of raw wood, not lumber or other finished products).

[10] U.S. Forest Service, "National Summary, Timber Sale Program Annual Report, Fiscal Year 1997" (This figure was derived by adding the regional totals for sawtimber).

[11] Robert Bush et al, "Recycling & the Use of Wood Materials," U.S. Pallet Industry, The Proceedings of the 1994 Forest Products Society, Southeast Section Workshop on Environmental Quality in Wood Processing.

[12] Dwight R. McCurdy & John E. Phelps, "The Pallet Industry in the United States, 1980, 1985, and 1990", Dept. of Forestry, Southern Illinois University at Carbondale, June 1991, p. 3, Table 2

[13] U.S. Forest Service, "Forest Service Values Poll Questions, Results and Analysis", Bruce Hammond, Section 3

[14] Market Strategies, Inc. and Lake, Snell, Sosin, Perry, and Associates, Inc., June 1998

[15] John Baden and Pete Geddes, "Resource Politics Miss the Forest for the 'Trees,'" Wall Street Journal, 5/22/96

[16] Sierra Nevada Ecosystem Project Final Report to Congress, vol. 1, p. 62, 1996.

[17] Act of March 3, 1891, c. 561, S. 24, 26 Stat. 1103; see also "Early Administration of the Forest Reserve Act: Interior Department and General Land Office Policies, 1891-1897", by James Muhn, BLM, in the Origins of the National Forests, ed. by Harold K. Steen (Forest History Society 1992) (This historical text discusses the 1891 Act's regulations of 1894 which stated that no one could "cut, remove, or use any of the timber, grass or other natural product" on national forest land; nor could anyone "settle upon, occupy, or use any [national forest] lands for agricultural, proprietary, mining or other business purposes." Livestock grazing on national forests was "strictly prohibited").

[18] 30 Stat. 35

[19] U.S. Forest Service, FY 1999 Budget Explanatory Notes for the Committee on Appropriations, p. 118

[20] Id.

[21] Id. This figure is an estimate (based on Forest Service appropriations for national forest and grassland resource management activities). In fiscal year 1997, \$196.0 million was appropriated for timber sales management; \$55.8 million was appropriated for forestland vegetation management; \$174.0 million was allocated for "salvage" timber sales; \$66.5 million was appropriated and allocated for logging road construction; and \$194.4 million was allocated for replanting/timber sale site preparation (a total of \$686.7 million). During the same period, \$35.8 million was appropriated for minerals and geology management (mining), \$38.0 million for rangeland management (grazing), and \$211.2 million for recreation use. Thus, timber management accounted for approximately 71% of

these expenditures. Therefore, we can estimate that the timber-related portion of the resource planning and inventory budget (which totals \$130.1 million) was approximately $.71 \times \$130.1 \text{ million} = \92.4 million .

[22] U.S. Forest Service, FY 1999 Budget Explanatory Notes for the Committee on Appropriations, pp. 20-25. This figure is conservative. It includes funds allocated for research directly related to timber management, such as silvicultural applications (\$16.2 million), quantitative analysis of forest vegetation (\$4.9 million), forest operations engineering (\$3.7 million), renewable resources economics (\$8.3 million), forest products utilization and processing (\$16.5 million), forest products safety (\$4.9 million), forest inventory and analysis (\$24.4 million), and forest health/productivity monitoring (\$3.3 million). It does not include research allocations for wildlife habitat and watershed, for instance, or for forest and rangeland management research, since only a portion of these allocations is related to timber management, and exact figures are not maintained by the Forest Service.

[23] U.S. Forest Service, FY 1999 Budget Explanatory Notes for the Committee on Appropriations, p. 143. These funds are used for boundary surveys when conducting timber sales.

[24] *Id.*, p. 69, 150, 227. This figure is an estimate. In FY 1997, \$251.8 million was appropriated for timber sales management (including forestland vegetation management); \$174.0 million was allocated for timber salvage sales; and \$211.2 million was appropriated for recreation use. These figures combined total \$637.0 million, of which timber sales account for 66.8%. Since the overall road maintenance expense was \$81.0 million, we can estimate that 66.8%, or \$54.1 million, of this expenditure was logging-related.

[25] *Id.*, p. 32. This program involves pesticide application and cutting of trees to minimize loss of timber inventory and maximize growth of commercial timber.

[26] Report of the Forest Service, FY 1995, p. 123. This figure is an estimate. The Forest Service no longer reports this expenditure. In FY 1994, \$36.2 million was used from other appropriated programs (i.e. minerals, soil and water, wildlife and fish, etc.) for timber sales. In that same year, \$184.6 million was appropriated for timber sales management. In FY 1997, \$196.0 million was appropriated for timber sales management. Therefore, we can estimate that \$38.4 million was spent on support for timber sales in FY 1997 (i.e. $36.2/184.6 = x/196.0$).

Though the Forest Service claims that, as of 1995, support for timber sales is now included in timber sales management, data exists which suggests otherwise. To wit, the average costs for timber sales management (including salvage) in FY 1995 was \$90.90 per thousand board feet (MBF) of timber offered for sale. These costs were 17% lower than the FY 1994 costs of \$108.94 per MBF offered--excluding the \$36 million (\$10.63 per MBF) of support from other programs in FY 1994.

[27] U.S. Forest Service, FY 1999 Budget Explanatory Notes for the Committee on Appropriations, p. 207.

[28] This figure is an estimate. The National Forest System consistently spends several times more per forested acre than does the National Parks System. Though there are some other relevant differences between the two, by far the biggest distinction is that the national forests have a timber sales program and the national parks do not. The Forest Service's Fire Management program is comprised of two parts: preparedness; and suppression. The National Fire Management Analysis

System (“NFMAS”) is used by the Forest Service to develop its preparedness budget request to Congress, calculating the “most efficient level” (“MEL”) of funding necessary to prevent fire from reducing the economic value of commodities (note: some regions in the National Forest System use an analogous formula known as “DART”, which is based upon the same premise). This determination is made by calculating the “net resource value change” (“NVC”) that would be caused at different “fire intensity levels” (“FIL’s”) in the various “fire management zones” (“FMZ’s”) into which each national forest is divided. The NFMAS Technical Course manual clearly identifies the effect of fire on the commodity value of “mature timber” and “immature timber” as the two main factors in setting the preparedness budget (p. 76). The other factor listed is “individual non-timber resources”. Contrary to the widespread public perception that the purpose of the Forest Service’s fire-fighting program is to protect the ecology of forests and wildlife for their own sake, the NFMAS Technical Course manual states (p. 74) that “NFMAS presently has no provision for directly and systematically estimating the economic impact of effects of fire on wildland resource values that do not in and of themselves produce market or commodity outputs. Examples of such values might be scenic beauty, threatened and endangered species habitat, biodiversity, and similar biological or environmental resource concerns for which there are no economic market place transactions on which to base an objective or free-market value.” For this reason, the Forest Service’s fire management budget requests to Congress, and, therefore, the funds appropriated by Congress, serve primarily to prevent fires from reducing the timber commodity values of forest stands that the Forest Service wishes to sell to logging companies in the present or at some time in the future.

In order to derive a reasonable estimate of the timber-related component of the fire management program, first an estimate must be made of the timber-related portion of the preparedness appropriation. This portion, which can be expressed as a percentage, was then applied to the suppression appropriation, making the assumption for the purposes of estimation that fire suppression activities follow the same reasoning as preparedness (i.e. to prevent fire from reducing commodity values). There are, however, some likely exceptions to this assumption. For example, it is widely understood that the national forests which interface with urban or suburban areas operate under a somewhat different set of factors/principles, since fires originating on these national forests could harm lives and/or property in communities adjacent to the forest (e.g., Mt. Hood N.F., Arapahoe-Roosevelt N.F., Tonto N.F., Coronado, N.F., Mt. Baker-Snoqualmie, N.F., Angeles N.F., Los Padres N.F., Cleveland N.F., and San Bernardino N.F.). Also, Regions 8 and 9, the Eastern regions, not only have significant urban/suburban interface, but also have forest types which do not burn as readily as some forests in the Western regions. For these reasons, both the preparedness and suppression appropriations for these forests and regions were removed from the calculations (i.e. when the timber-related percentage of the fire management program was determined, instead of multiplying this fraction by the entire amount appropriated for fire, the funds appropriated for these forests and regions were first subtracted. For this reason, the overall estimate of the timber-related component of the fire management program may be conservative, since there are substantial timber-related fire appropriations going to those forests and regions which were subtracted).

The specific method of estimating the timber-related component of the fire program was actually suggested by the Forest Service itself. Forest Service NFMAS/fire staff in Region 6 (Pacific Northwest) prepared a worksheet which estimated the timber component of the NVC. This was done simply by consulting the NFMAS (or DART) worksheets which calculate, for each FMZ, the NVC for each commodity (e.g. timber-mature, timber-immature, forage, commercial fish, recreation facilities, etc.) at different FILs. At each FIL in a particular FMZ, the total estimated resource value damage for timber (both mature and immature) is reflected as a negative number; and the total estimated resource value damage for all commodities is reflected as a usually somewhat larger

negative number (except in circumstances where the only commodity value affected was timber, in which case the timber-related percentage calculated for that FMZ at that FIL was 100%). Such worksheets were only available for Regions 1, 5, and 6. Therefore, the timber-related percentage for these three regions was calculated, averaged, and then applied to the other Western regions. For Region 6, the Forest Service's calculations estimated that 94% of the fire program is timber-related. The agency did not make such calculations for Regions 1 or 5, so these estimations were made by the author of this report, using the methods developed by the Region 6 Forest Service NFMAS/fire staff. The estimations for Regions 1 and 5 may be conservative, since FMZs which contained only designated wilderness (and, therefore, listed no timber commodity damage from fire since no logging is allowed in wilderness areas) were included in the calculations, which significantly reduced the timber-related percentage for several forests in each region. Indeed, the Forest Service's NFMAS expert for Region 5 said in a Fall of 1998 interview that, aside from the forests in Southern California which have essentially no timber sales program, the fire management program in Region 5 is based "at least 90% on timber." The final timber-related percentages for Region 1 and Region 5 were 84% and 75%, respectively. Therefore, the average of Regions 1, 5, and 6 was 84%, or .84.

The appropriated sums for FY 1997 for preparedness (presuppression) and suppression were \$319.3 million and \$210.7 million, respectively, for a total of \$530.0 million (see U.S. Forest Service, FY 1998 Budget Explanatory Notes for the Committee on Appropriation, p. 128). Subtracting preparedness and suppression for the urban/suburban interface forests and Eastern regions from the total appropriation of \$530 million leaves a remainder of \$442.8 million. Multiplying .84 by \$442.8 million yields the final figure of \$372.0 million, which is the estimated timber commodity component of the FY 1997 Forest Service fire management program.

[29] U.S. Forest Service, FY 1999 Budget Explanatory Notes for the Committee on Appropriations, p. 169 (This figure is an estimate. The sum listed for suppression is \$510.7 million, which includes the \$210.7 appropriated for 1997 suppression, plus an additional \$300 million to cover 1996 program overspending: \$98 million to cover FY 1996 fire program costs and \$202 million to repay Knutson-Vandenberg ("K-V Fund") borrowings (See U.S. Forest Service, FY 1998 Budget Explanatory Notes for the Committee on Appropriations, p. 128, note 2). Since this additional \$300 million was appropriated in the FY 1997 appropriations package, it must be included in this analysis. The timber commodity component of this appropriation was estimated simply by setting up a proportion calculation: $372.0/530.0 = x/300.0$. Solving for x yields \$210.6 million.).

[30] Id. p. 69 (This figure is an estimate. The General Administration appropriation covers the National Forest System, Forest Research, State and Private Forestry, Wildland Fire Management, Construction and Reconstruction, and Land Acquisition. The total amount appropriated for all these programs for FY 1997 was \$2.43 billion (excluding the \$300 million for FY96 fire overspending). The logging-related portion amounted to \$0.96 billion (again, excluding the logging-related portion of the \$300 million which was appropriated to cover FY96 fire program overspending), or 39.3%. Therefore, we can estimate the amount spent on logging by multiplying the total General Administration appropriation (\$259.4 million) by 39.3%, which yields \$101.9 million).

[31] The Forest Service distributes most of the timber sales receipts it receives into its timber accounts for future logging-related activities, rather than return these funds to the General Fund of the U.S. Treasury.

[32] U.S. Forest Service, FY 1999 Budget Explanatory Notes for the Committee on Appropriations, p. 249.

[33] Id.

[34] Id. (These funds are used to mitigate damage done by logging in timber sale unit areas).

[35] Id., p. 253.

[36] Id., p. 227

[37] Id.

[38] U.S. General Accounting Office, "Forest Service: Distribution of Timber Sales Receipts--Fiscal Years 1995 Through 1997", Table 1 (The Forest Service pays a portion of gross timber sales receipts to the states in which the logging occurred. The "payments to states" figure reported by the Forest Service is somewhat higher than this because it includes payments from receipts from other activities in addition to timber, such as grazing, mining, and recreation.).

[39] Id., Table I.1

[40] Id.

[41] Id.

[42] Id.

[43] Id.

[44] Id.

[45] Id.

[46] Id., Table I.2

[47] Id.

[48] Id.

[49] Id

[50] Id.