

Mr. Chairman, thank you for the opportunity to testify this morning on behalf of the bipartisan proposal my colleagues and I have put forth.

The financial problems our counties are facing are unlike anything we've seen in recent history. The likelihood of bankruptcy for my rural Oregon counties is closer than ever, some facing possible bankruptcy within the year. While other parts of the country are recovering and unemployment rates are dropping, the unemployment rates in many rural counties, including Oregon counties, remain in the double digits.

Unemployment isn't the only problem counties are facing. Due to extreme budget cuts, counties are unable to pay for basic services their citizens rely on, like public health, education for our children, and public safety.

In the case of one rural Oregon County, some residents living in Josephine County have resorted to arming civilians for a community watch program because so many law enforcement officers have been laid off and so few jail beds remain open for those officers still at work.

Another example is in Polk County, Oregon, which is in my district, where they recently went through another round of cuts to law enforcement officers and prosecutors. The county is currently at a minimum staffing level for the county jail and sheriff patrol and is no longer available to provide 24-hour service to its citizens. Sheriff Deputies are being required by county judges to assist in court proceedings rather than being on patrol in lieu of staff layoffs.

These examples unfortunately are not unique to those two counties. Budgets are being cut, workers are being laid off, schools are closing, and crime is increasing. We cannot expect these communities to live with this uncertainly any longer.

The problems facing Oregon are not solely revolved around county funding. With the 90 percent decline in timber harvest on public lands since 1990, our forests have become increasingly unhealthy. Without active management, forests have become overgrown, leaving them extremely susceptible not only to catastrophic wildfire but disease like Swiss needle cast and sudden oak death, and insect infestation from bark beetles. These extreme events can and often do result in diminished water quality, habitat loss, and significant harm to other environmental and ecological attributes the forest ecosystem needs to be sustainable. These issues not only threaten the vitality of public lands themselves, but also the surrounding private forest lands, rural communities, and environmental treasures that deserve special protection.

Not only does the decline in timber harvest effect the health of our national forests, but also creates strain on local mills and timber companies. Too many mills have had to face closure due to the dwindling amount of harvest available off public lands. Many small business mills do not own their own forest land and rely solely on public lands to purchase timber to keep their mill operating. Jobs in the woods are few and far between, adding to the unemployment rates in rural American.

While most western states hold significant amounts of public land, the unique Oregon & California Railroad Grant Lands system, commonly known as O&C lands, are only found in my home state of Oregon. These lands have a unique mandate within the O&C Act of 1937 which states that *the timberlands shall be managed for permanent forest production, and the timber thereon shall be sold, cut, and removed in conformity with the principle of sustained yield for the propose of providing a permanent source of timber supply, protecting watersheds, regulating stream flow, and contributing to the economic stability of local communities and industries, and providing recreational facilities.* Fifty percent of revenue generated off of these lands goes directly to county payments, which the O&C counties rely on for their livelihoods.

The problems facing O&C lands, which are under currently under BLM jurisdiction but have been managed more like a National Forest System rather than their original intention, deserve a unique solution, which is what my colleagues Congressman DeFazio and Congressman Walden and I have proposed.

Our proposal has received endorsements from the Oregon State Senate and Oregon State House of Representatives, the Oregon State Sheriffs Association, the League of Oregon Cities, Oregon State Treasurer Ted Wheeler, 15 Oregon Counties, along with Oregon specific and national timber associations. Governor Kitzhaber has expressed support for a sustainable solution which is why he created an O&C Committee comprised of county officials, timber industry representatives, and key members of the conservation community to work together to find common ground and sustainable solutions to the problems our state is facing.

Based on a recent model I asked Governor Kitzhaber's O&C Committee to run, our proposal would only harvest less than **one-half** of what the lands are capable of producing when modeling the harvest using Oregon Forest Practice Act management criteria, which is still **one-third** less than average harvest levels prior to 1990. The bill we have proposed would protect nearly half of the lands for old growth, critical habitat for species, and aquatic protections for fish and drinking water, along with additional protection for Oregon's special places such as the Molalla River in my home district.

Increasing harvest and county funding while protecting environmental quality and special places are not mutually exclusive ideas. While there may be no perfect solution that will satisfy every stakeholders concern, I believe we all can agree that the status quo is no longer acceptable. We must act to ensure our counties are financially stable, our communities are secure, and our schools are productive. We must act to ensure our forests are healthy and managed in sustainable ways so they will be available to current and future generations. We must act to create and bring back jobs that have been lost over the past two decades and to ensure mills have enough timber supply to stay in business.

Thank you again, Mr. Chairman, for the opportunity to testify.