

A Landmark Policy for Restoring Federal Forests: Permanent Authorization of Stewardship Contracting in the Farm Bill

Brian Kittler

The effects of climate change are playing out in the western US before our eyes. California is having its worst drought in recorded history, and it is merely the epicenter of a much broader drought impacting the entire West (Pugh, 2014). In mid-January, with wildfires even burning in what are normally soggy Oregon Coast Range forests this time of year, it appears like the 2014 fire season could very well be longer and more intense than any before. In light of these and related pressures, restoring the resilience in western forests has become a rallying cry for a diverse set of constituencies.

A Need for Increased Stewardship of Federal Forests

According to the USDA Forest Service as much as 43 percent, some 65—82 million acres, of the National Forest System (NFS) is in need of restoration treatments via mechanical thinning and prescribed burning. Of this stated need, 12.5 million acres require mechanical treatment, essentially removing small diameter trees, as a necessary component of restoring resilience in these fire adapted ecosystems (Forest Service, 2012). In 2011 and 2012 restoration accomplishments via burning and mechanical thinning amounted to about 4.65 million acres per year, equating to an annualized restoration rate of about 6 percent of the total need (Forest Service, 2012). Of this, mechanical treatments remained a small component—203,350 acres, meaning that mechanical treatments were implemented with an annualized restoration rate of about 1.6 percent of the total need in recent years.

As the implications of climate change acting on landscapes with severely altered disturbance regimes comes into focus, many are suggesting that this rate of restoration is out of step with the threats facing forests of the Anthropocene (Sample and Bixler, 2014). The Forest Service is committed to increasing the annual restoration rate of mechanical treatments by 20 percent (Forest Service, 2012). Even with this increased rate it would still take several decades before the backlog of restoration activity would be complete.

Accelerating the pace and scope of restoration treatments will require a social license to enhance the capacity of environmental analysis and landscape prioritization required to enable active forest management. Such a strategy is incomplete without significant public-private partnerships with non-profits, state agencies, and others to more effectively leverage resources beyond federal appropriations. Finally, a critical element for the agency will

be the effective use of the restoration tools at their disposal to harness a local workforce with capacity to collaboratively design, implement, and monitor holistic restoration projects. Thankfully, stewardship contracting, one of the most powerful restoration tools available to the Forest Service and Bureau of Land Management (BLM), was recently given permanent authorization in the 2014 Farm Bill. Having previously operated under a 10-year authorization, what will permanent authorization mean for these agencies? How can stewardship contracting be used to accelerate the pace and scope of restoration?

Flexibility of Stewardship Contracting Authorities

The authorizing legislation allows the Forest Service and Bureau of Land Management to use special authorities in projects focused on road and trail maintenance or obliteration, maintenance of soil productivity, habitat and fisheries management, prescribed fires, vegetation removal,



Thinning on the Chattahoochee-Oconee National Forest yields marketable timber while improving habitat for the Red-cockaded Woodpecker.

Table 1. Recent Reported Forest Service Stewardship Contracting Accomplishments

	FY2011	FY2012	FY2013
Stewardship Contracting acres	100,000	134,000	171,000
Acres of forest vegetation improved	32,694	25,763	36,000
Green tons of biomass made available for energy production	477,921	577,590	865,000
Acres of WUI fuel treatments	61,608	58,394	69,000
Acres of wildlife habitat enhanced	77,305	135,816	72,000
Percentage of timber volume sold from NFS from restoration projects	20%	25%	27%

Source: Forest Service, 2013; Pinchot Institute, 2014.

watershed restoration, and control of invasive plants. However, the real innovation of stewardship contracting is not as much in *what* it, as an implementation mechanism is intended to do, but rather *how* it accomplishes it.

1. Enhancing the pace, scope, and financial feasibility of restoration projects. For example, the authority has allowed the agencies to make *multi-year awards* that can be critical to establishing and maintaining necessary infrastructure to do stewardship work, treating hundreds of thousands of acres, while providing local communities with a steady program of work. As of late 2013, the Forest Service now has more than 10, 10-year stewardship contracts, many of which are part of the Collaborative Forest Landscape Restoration (CFLR) program. *Designation by Prescription* has been very effective at reducing the prep-time and thus the cost of performing restoration treatments. In places with a high degree of trust and high capacity contractors (as often is determined using *best-value criteria*) the agencies can advance the pace of restoration through this authority. Exchanging *goods for services* is the most often used stewardship authority and allows the agencies to offset the cost of service work by packaging stewardship work in a way that contractors bid on both a set of services and timber. The *retention of excess receipts* allows the agencies to

use the proceeds of merchantable timber harvested during the project locally to advance additional stewardship activities. These funds are destined to support restoration activities locally and are not sent to the US Treasury, agency staffing, or county governments, as is the case with timber sales.

2. Harnessing collaborative engagement in federal lands management to build trust and a social license to accomplish stewardship activities. The Forest Service handbook suggests, “Collaboration must be a part of Stewardship Contracting project planning and continue throughout the life of the project” (Forest Service, 2008). Stewardship authorities that

advance this include *best value contracting*. Sometimes, best-value criteria are explicitly used to awarded contracts to firms with a strong foothold in local communities. Collaborative groups, especially those across much of the West have used *multi-party monitoring* processes to observe, measure, and otherwise track project accomplishments and outcomes, to better inform their own collaborative prioritization around future projects. The agencies gain trust in allowing outside groups to monitor stewardship projects. While multi-party monitoring is approved as an activity for funding with stewardship receipts, this rarely happens, as implementation activities take precedence. Increasingly popular, *stewardship agreements* allow the agency to partner strategically with outside organizations, such as the National Wild Turkey Federation and The Nature Conservancy, to leverage non-federal resources to accomplish critical stewardship activities, such as wildlife habitat creation or enhancement. For instance, non-agency participants provided funding in 40 percent of stewardship projects active from 2010–2012, with the majority of this match coming through stewardship agreements with non-profits and other entities.



Hazardous fuels thinning on the Malheur National Forest Knox Stewardship Project.

A Look Back at the 10-Year Authorization for Stewardship Contracting

Growing out of early experiments with collaborative forest restoration in the late 1990s, stewardship contracting was introduced as a pilot program from 1999–2002. The program concluded early when 10-year authority was granted in 2003. The 10-year authorization came in part as a response to a particularly virulent fire season that included: the Hayman Fire, which burned 138,577 acres and impacted Denver’s water supply, the Rodeo-Chediski Fire, which burned 192,970 acres in Arizona, and the Biscuit Fire that burned nearly half a million acres of forest in southern Oregon (Williams, 2007).

Legislators were looking for ways to help, and extending Stewardship Contracting authorities was among the actions they took, independent of whether or not all knowledge gained from the pilot program could be effectively integrated into widespread deployment. Many of the 84 pilot projects were recognized as being highly collaborative in nature, receiving financial and technical assistance from the agency to implement multi-party monitoring of project activities. However, when the pilots ended such resources also ended. Some in retrospect have expressed that ending the pilot program early was a mistake.

During the 10-year authorization, the Forest Service initiated 1,511 stewardship projects over hundreds of thousands of acres. The BLM awarded 421. Since 2010 the Forest Service has awarded an average of 215 contracts or agreements each year, with stewardship agreements with wildlife conservation NGOs becoming increasingly popular (see Figure 1). The downturn in BLM projects is related to an overall decrease in appropriations for the BLM forestry budget. This trend is indicative of the fact that while the goods for services and retained receipts authorities offer

ways to package projects that implement service work with timber receipts, appropriated funding is still very much essential, especially when timber markets are not favorable as is the case for a majority of BLM comprised of Pinyon and Juniper of very low merchantable value. In many instances, less funding means less stewardship.

While the number of projects originating in 2013 dropped for the Forest Service as well, the agency accomplished more stewardship contracting acres than it has in any year prior, at just more than 171,000 acres. Since 2011, the annual acres implemented by the Forest Service via stewardship contracts and agreements have increased by approximately 71,000 acres (see Table 1).

Despite this consistent growth, the level of implementation by the Forest Service in 2013 was still short of a goal it set for itself in 2012 by 129,000 acres. This 129,000 acre figure is itself an amount that is larger than the agency typically imple-

mented during most years during its 10-year authorization (Forest Service, 2013). Is the current scope and pace of restoration forestry going to leave our federal forests in an acceptable condition for future generations living through the Anthropocene? Now that the agencies have permanent authorization will the use of this tool, and the overall rate of restoration treatments increase?

Collaborative Community Engagement in Stewardship Contracting

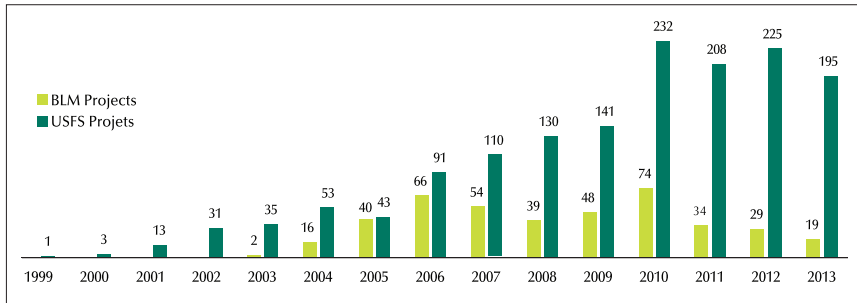
Since 2005 the Pinchot Institute has systematically monitored 25 percent of active stewardship contracting projects for the BLM and the Forest Service. Over this time the Institute and its partners have completed more than 100 sets of interviews with agency and non-agency persons involved in BLM stewardship contracts or agreements and more than 340 sets of interviews with agency and non-agency persons involved in Forest Service projects. Some regions have been quicker to adopt stewardship contracting and projects in some

Table 2. Stewardship Contracting and Agreement Authorities

Best-value contracting	Requires consideration of other criteria in addition to cost (e.g. prior performance, experience, skills) when selecting contractors.
Multiyear contracting	Allows for contracts and agreements to be up to 10 years in length.
Designation by prescription	Specifies within a contract the desired end results of a project, while giving the contractor operational flexibility to achieve results.
Designation by description	Specifying which trees should be removed or retained without having to physically mark them.
Less than full and open competition	Allows for contracts to be awarded on a sole-source basis in appropriate circumstances.
Trading goods for services	The ability to apply the value of timber or other forests products removed as an offset against the cost of services received.
Retention of receipts	The ability to keep revenues (timber receipts) generated by a project when product value exceeds the service work performed and then applies the funds to service work that does not necessarily need to occur within the original project area.
Widening the range of eligible contractors	Allows non-traditional bidders (non-profits, local governmental bodies, etc.) to compete for and be awarded stewardship contracts. Also allows for the agency to enter into stewardship agreements.

Source: Pinchot Institute, 2014.

Figure 1. Number of Stewardship Contracts Initiated by Fiscal Year



Source: Pinchot Institute, 2014.

“...non-agency participants provided funding in 40 percent of stewardship projects active from 2010–2012.”

regions tend to be more collaborative than others (see Table 3).

This is no doubt in part due to cultural variance region to region but leadership has a big role to play as well. Some National Forest districts practice a system of stakeholder engagement that may result in successfully implemented projects, while doing little in the way of building trust beyond those directly involve—the agency, a contractor, and perhaps an adjacent landowner. In these projects, engagement often centers exclusively on the National Environmental Policy Act (NEPA) environmental review process related to specific proposed actions rather than on ongoing collaborative processes focused around a broader set of land management issues. These projects tend to focus almost exclusively on hazardous fuels reductions in the wildland-urban interface and many remain of limited scope and scale.

Still, on the balance, collaborative processes involving multiple stakeholders and meetings were used in 72 percent of stewardship contracting projects nationwide in 2010, 2011, and 2012 (Pinchot Institute, 2014). Overall, the trend is toward more collaboration on the federal lands. Certainly this is evidenced by the growth of the CFLR program, but it is also the case with many stewardship contracts and agreements.

Conclusions

The permanent authorization of stewardship contracting in the 2014 Farm Bill may well turn out to be a milepost in a new era of collaborative stewardship of our federal forests. The fiscal efficiencies offered by stewardship contracting, such as the ability to match private funding in stewardship agreements, have grown in popularity, as has the collaborative nature of many stewardship projects. These are clearly elements of stewardship contracting that are deemed attractive across the political spectrum, as was evidenced by a strong push to provide permanent authorization. The Forest Service itself has stressed the importance of stewardship authorities in CFLRP projects (Forest Service, 2013), a program on which the agency is banking much of its future.

Achieving permanent authorization is an important moment, but given the gap between current levels


of implementation and what is needed, significant challenges to accelerating the pace and scope of restoration remain. A necessary next step is to combine the use of stewardship authorities with adequate levels of funding—both public and private—for planning, implementation, and monitoring. There is also a significant need to provide enhanced training and technical assistance to agency and non-agency collaborators seeking to use stewardship contracting authorities.

Despite the stark realities facing the forests of the Anthropocene, there remains hope for transforming century-old land management institutions to be more adaptive, collaborative, and necessarily responsive to the threats of climate change. The creative use of stewardship contracting authorities and a full embrace of the philosophy underpinning collaborative stewardship represent a critical opportunity for such a transformation to

Table 3. Contracting Indicators of Collaborative Stewardship

	Pacific Northwest (USFS Region 6)	Northeast (USFS Region 9)
Use of deliberate collaborative processes	71% of projects	29% of projects
Use of multi-party monitoring	60% of projects	13% of projects
Use of field tours to show project activities	82% of projects	34% of projects

Source: Mattor, 2013.

occur. Indeed this is not just an opportunity, but rather a responsibility we owe future generations who will inherit our shared legacy—the public lands. 

Works Cited

Mattor, K.M.D. 2013. Evolving Institutions of Environmental Governance: The Collaborative Implementation of Stewardship Contracts by the USDA Forest Service. Doctoral Dissertation. Colorado State University, Fort Collins, CO.

Pugh, B. (2014, February). US Monthly Drought Outlook. National Oceanic and Atmospheric Administration.

Sample, V.A. and Bixler, R.P. (eds.). 2014 [forthcoming]. Forest Conservation and Management in the Anthropocene. General Technical Report. Fort Collins, CO: US Department of Agriculture, Forest Service. Rocky Mountain Research Station.

Williams, G. W. (2007). The Forest Service: Fighting for Public Lands. Westport, CT: Greenwood Press.

Pinchot Institute (2014). The Role of Communities in Stewardship Contracting: FY 2013 Programmatic Monitoring Report to the USDA



Eastern Wild Turkey.

Forest Service. January 2014. Pinchot Institute for Conservation. Washington, DC.

USDA Forest Service. (2008). FSH 2409.19 Renewable Resources Handbook, Chapter 60 Stewardship Contracting. Washington, DC: USDA Forest Service.

USDA Forest Service. (2012). Increasing the Pace of Restoration and Job Creation on Our National Forests. Washington, DC: USDA Forest Service.

USDA Forest Service. (2013). Fiscal Year 2014 Budget Justification. Washington, DC: USDA Forest Service.

Will Price

(continued from page 18)

References

Charnley, Susan, and Long, Jonathan. “9.5 Managing Forest Products for Community Benefit” Final Draft 1/9/2013. http://www.fs.fed.us/psw/publications/reports/psw_sciencesynthesis2013/psw_sciencesynthesis2013_9_5.pdf. Accessed January 2014.

Marston, Ed. 1997. “The Timber Wars Evolve into a Divisive Attempt at Peace.” High Country News. September 29, 1997. <http://www.hcn.org/issues/115/3656>. Accessed October 2013.

North, M., Stine, P.A., O’Hara, K.L., Zielinski, W.J., and Stephens, S.L. 2009. An Ecosystems Management Strategy for Sierra Mixed-Conifer Forests. General Technical Report PSW-GTR-220. USDA Forest Service, Pacific Southwest Research Station, Albany, CA. 49 p.

Pinchot Institute for Conservation, 2013. Independent Science Panel Report: Herger-Feinstein Quincy Library Group Forest Recovery Act.

Verner, J., McKelvey, K.S., Noon, B.R., Gutiérrez, R.J., Gould, Jr., G.I., Beck, T.W. 1992. The California Spotted Owl: A Technical Assessment of its Current Status. PSW-GTR-133. Pacific Southwest Research Station, USDA Forest Service, Albany, CA.

CONTINUING THE PINCHOT LEGACY



“The conservation of natural resources is the basis, and the only permanent basis, of national success. There are other conditions, but this one lies at the foundation.”

— Gifford Pinchot

The Pinchot Institute depends on the support of individuals who believe in practical, action-oriented solutions like those undertaken by Gifford Pinchot. Help us continue the Pinchot Legacy by returning the enclosed envelope or making your tax-deductible contribution online.

pinchot.org/support