

Klamath County Commissioners

Tom Mallams, Commissioner Position One Dennis Linthicum, Commissioner Position Two Jim Bellet, Commissioner
Position Three

June 25, 2014

The Honorable Ron Wyden United States Senate 221 Dirksen Senate Office Building Washington, D.C. 20150

Dear Senator Wyden:

On behalf of Klamath County, we, the Board of County Commissioners are writing to urge you to oppose changes to the federal timber set-aside program for the Forest Service. These changes would unfairly divert federal timber away from our local mills.

The original set-aside program for the Forest Service was developed when there was an abundance of federal timber and mills of all sizes in Oregon. These circumstances simply no longer exist. The severe reduction in federal timber production has dramatically impacted our community. Interfor, the only mill left in Klamath County actively purchasing Forest Service timber sales, is excluded from timber sold in set-aside sales for "small" business.

The Small Business Administration (SBA) and the U.S. Forest Service have drafted rules discriminating against our local mill and others around Oregon. This is a wrong-headed approach, adding insult to the injury of an anemic federal timber program that has devastated our region's economy.

Subsidizing and diverting timber sales away from our community will reduce timber receipts generated from timber sales, impacting our county budget. Counties have traditionally received 25% of these funds. With the impending expiration of the Secure Rural Schools safety net, these funds will be more critical than ever. Likewise, if stewardship contracts are included in the set-aside program, fewer acres of at-risk forest will be restored. This is contrary to congressional authorization of local preference and best-value contracting.



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The Forest Service and SBA should not pursue these divisive and controversial changes. Instead, we request that you work with large and small manufacturers to develop common ground and workable solutions for all business interests. In 2012, the Director of Forest Management for the Forest Service told members of Congress that "it may be better to consider stepping back and relooking at the USDA-SBA agreement and the basic structure of the Set-Aside Program with a modem view, perhaps through a collaborative process with stakeholders." We agree and hope that the Forest Service can address the set-aside program in a comprehensive and inclusive manner.

Sincerely,

James Bellet,

Chair

Tom Mallams,

Vice-Chair

Dennis Linthicum,

Commissioner

Cc: The Honorable Robert Bonnie; Undersecretary for Natural Resources, USDA
The Honorable Butch Blazer; Deputy Undersecretary for Natural Resources, USDA
Tom Tidwell; Chief, U.S. Forest Service
The Honorable Peter DeFazio; United States Congress