

January 15, 2008

Sharon Nygaard-Scott, Forest Management Staff USDA Forest Service Mail Stop 1103 1400 Independence Avenue, SW Washington, DC 20250

RE: **USDA Forest Service Notice, Request for Comment** published in the *Federal Register*, December 10, 2007 concerning Information Collection; Small Business Timber Sale Set-Aside Program; Appeal Procedures on Recomputation of Shares.

Dear Ms. Nygaard-Scott:

Shasta Green, Inc. is a small business sawmill that derives approximately 50% of its sawlogs from the federal timber sale program. In the past 10 years Shasta Green's affiliated resource companies have purchased timber sales in seven of R-5's market areas. According to Timber Data Company, Shasta Green's affiliated resource companies rank second in Region 5 for USFS sawlog volume under contract.

The SBA timber program has allowed Shasta Green, Inc. to compete against several large business companies with large tracts of industrial timber lands who use fee timber to subsidize their bids for federal timber. Without an equitable SBA timber program Shasta Green, Inc. could not remain in business.

Please accept the following comments for the record.

According to information provided to SBA by the Forest Service, the purpose of this notice is to fulfill the Paper Work Reduction Act. Even though there are no proposed changes in the current process, the agency is required to solicit comments on the paperwork burden, to summarize comments submitted, and publish their findings.

If this accurately summarizes the purpose of the notice then we do not have a problem with the current paperwork process.

However, if the agency is serious about meeting their obligation under the Paperwork Reduction Act, they would stop maintaining 14 separate market areas in R-5. Two or three market areas would reflect the actual purchasing patterns of the four remaining SBA sawmills, and would reduce the Forest Service and SBA paperwork by 80-90%.

Finally, it is difficult to continue offering comments on inconsequential Notices like this when the Forest Service refuses to make a decision on the Federal Register Notice of August 2006, concerning the inclusion of Stewardship Contract volume in the SBA Program. This is a significant issue with enormous consequences to the few remaining small business sawmills in R-5, and yet the Forest Services refuses to make a decision.

When you analyze the impacts of maintaining 14 separate market areas in R-5, the unwillingness to include stewardship volume in the SBA Program, and refusing to appraise SBA Set-Aside sales to SBA sawmills, the Forest Service bias against small business cannot be in doubt.

Thank you for the opportunity to comment on your proposed rule changes.

Sincerely,

Dianne Franklin, CEO Shasta Green, Inc.

C: Linda Hagen, SBA, Portland

Franklin Logging, Inc. P.O. Box 1303 Bella Vista, CA 96008 Sharon Nygaard-Scott, Forest Management Staff USDA Forest Service Mail Stop 1103 1400 Independence Avenue, SW Washington, DC 20250

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