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Natural Resource Governance and Forest Sustainability

Balancing Economic, Environmental, and Social Values

Prepared by the California Licensed Foresters Association
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The Golden State is amazingly diverse. California has parched deserts as well as temperate rainforests. The continual forces of geological change, from alluvial processes to tectonic uplift, add to and enhance the ecological complexity.

California's natural diversity and propensity for change is at least matched by the state's rapidly expanding human population. Linking rural and urban populations in terms of social values that correspond to the equally complex environment is risking some generalization. One certainty is that all Californians, no matter where they reside, seem to have strong opinions on how to govern the state's natural resources. How government balances complex and sometimes conflicting issues is a test of its effectiveness.

To work with the complex population and environment, Californians have used a model of governing natural resources that reflects many of the traditional concepts brought from Great Britain during the early settlement of the United States. The belief that private property rights hold intrinsic value is tempered by the common law concept of public resources that no individual can own outright. This is the foundation of much of the regulation in California: Private interests may own the land and even the trees, but wildlife and water are to varying degrees public assets.

Government has the responsibility of balancing the rights of private individuals with the protection of public trust resources. Legislation at the state and federal level serves to conserve these public resources. Examples include the protection of wildlife through state/federal Endangered Species Acts and of water resources through the federal Clean Water Act and California's Porter-Cologne Water Quality Act.

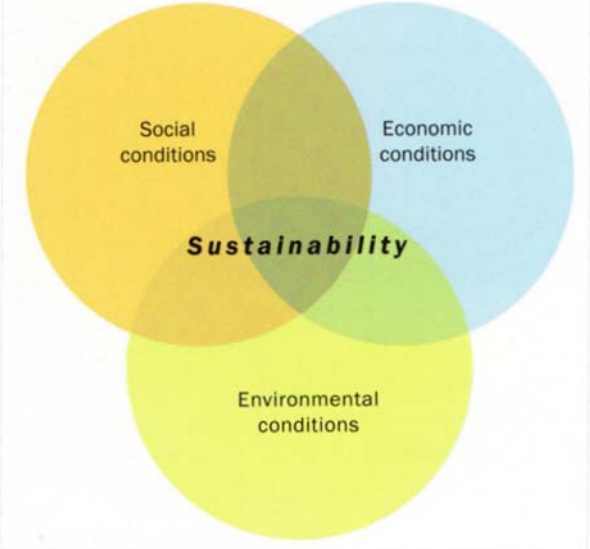
Because of competing private/public objectives, legislation has evolved to evaluate proposed projects. These include the National Environmental Policy Act and the California Environmental Quality Act. As much of the state's watersheds are

forested, the Z'Berg-Nejedly Forest Practice Act was instituted to balance competing interests and values related to the growth and harvest of timber on California's state and private forestlands. Also, California's Professional Foresters Law requires the licensing of Registered Professional Foresters (RPFs). In most instances, a landowner must employ the services of an RPF in order to secure the permits required for timber harvest activities in the state. The RPF-prepared Timber Harvest Plan (THP) addresses a multitude of social and ecological issues such as protections for public trust resources and provisions for post-harvest timber stocking and/or site reforestation.

All of this legislation, and more, has created numerous boards and government agencies that are charged with bringing the intent of legislative actions into policies that can be implemented on the ground. As California's population grows, there is an ongoing urbanization of this historically agricultural state. Growth concentrates in existing cities, yet is expanding into traditionally rural environments. This has increased pressure on California's finite natural resources and fueled an expansive regulatory architecture that is often founded on perceptions rather than facts.

Boards and agencies that weigh the competing values of society have the ability to frame and implement constructive rules to provide for a truly sustainable market-based society by governing public trust resources without unduly compromising the rights of individuals. Sustainability in forest management can be conceptualized in a variety of ways. One way is to look at the three components of sustainability: social, environmental, and economic conditions. Besides examining them individually, we can consider how they could ideally interact, as illustrated in Figure 1. The key to achieving sustainability through governance is to construct regulatory structures that consider all of these concepts without unduly favoring any one in particular.

Figure 1. Sustainability of forests and rangelands



While this simplistic diagram is useful for illustration, implementing it in the real world presents a much larger challenge. A complex regulatory structure weighted heavily towards a particular condition often has unrealized consequences. For example, "California now imports 75 percent of the lumber it uses, thus exporting the jobs and other economic benefits of a strong timber industry, as well as its environmental impact, to other states and nations…".[1] Our current regulatory structure, arguably overemphasizing perceived social values, compromises the very environment it is intended to protect.

When we go too far in discouraging sustainable forest management and timber harvesting in California, we lose their economic and environmental benefits. But we also export the environmental risks associated with the timber extraction necessary to support our continually increasing market demand for forest products.[2] We discourage "working forests" here and export commodity production to other states and countries. Often, these distant wood sourcing locations have in place lower standards of environmental protection than exist here within our governance structure.

Recent state regulation changes are making an improvement by focusing on incentive-based approaches to environmental protection. The Board of Forestry and Fire Protection's 2003 passage of the Variable Retention silviculture rule package, while generally prescriptive, contains some good examples of incentive-based regulation. For example, it provides an incentive for the retention of large, older trees by allowing such trees to be worth more than other trees in terms of complying with stocking retention standards. This type of regulatory approach provides an incentive for landowners to retain larger, older trees for social and wildlife benefits while at the same time receiving a potential economic benefit by having those trees count more for meeting the stocking standards.

Another example of incentive-based regulation that does a good job of balancing the economic, environmental, and social conditions of sustainability is the Fuel Hazard Reduction Emergency Rule passed by the Board of Forestry and Fire Protection in 2004. This template provides a potential economic incentive to landowners by decreasing regulatory timelines and expenses. Social and environmental conditions are being enhanced by facilitating these inherently expensive fuel treatments in areas with the greatest need for fuels modification.

Part of the difficulty in establishing regulation that guides California forest landowners towards sustainability is the number of regulatory bodies with overlapping jurisdictions. One of the constraints to timber production (an economic condition of sustainability) listed in Table 39 of the FRAP Report[2] are the numerous laws pertaining to clean water. Yet in the same table**,** constraints to achieving water quality (a traditionally environmental and social condition of sustainability) include regulations. While social and environmental conditions are often paired in conflict with economic

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[1] Walters, Dan, *We want and need lumber, but balk at cutting the trees*, Sacramento Bee, June 7, 2004.
[2] *The Changing California: Forest and Range Assessment.* California Department of Forestry and Fire Protection, Fire and Resource Assessment Program (FRAP), 2003.

conditions, it appears that regulations sometimes negatively affect all three. The state's investigation into the Southern California wildfires of 2003 reinforced this point, in the Blue Ribbon Commission Panel Report.[3] The Report lists environmental regulation as one of the major factors that has contributed to the increasing risk of catastrophic wildfires in California.

An example of how a counter-productive regulatory scenario is played out in the woods can be shown through the permitting process involving removing an old watercourse crossing and replacing it with a more modern structure as part of a Timber Harvest Plan. In coastal Northern California, this requires at least three agencies and three separate permits: a THP (California Department of Forestry and Fire Protection), a Lake and Streambed Alteration Agreement (California Department of Fish and Game), and a Report of Waste Discharge (North Coast Regional Water Quality Control Board). The cost of the permits and duplicative (and often conflicting) regulatory oversight create a clear disincentive for landowners to replace existing crossings that may be contributing to environmental degradation. Yet the stated intent of all of these permits/authorizing statutes is to protect environmental and social values.

California's population will continue to grow, and the many stressors on the states natural resources will continue to increase. To help achieve a balance of environmental, social, and economic conditions for sustaining undeveloped, working forest landscapes in California, governance should be focused on incentive-based, efficient regulation with minimal regulatory overlap. The primary goal of regulation should be the achievement of desired results rather than more process (paperwork). State governing bodies should also work to influence land management policies on federal lands that have significant implications for the future viability of sustainable forest management in California.

Thank you for your consideration of these ideas. This paper is the second of three that CLFA is preparing in response to "*The Changing California – Forest and Range 2003 Assessment"* by CDF's Fire and Resource Assessment Program (FRAP). The topic of the final paper will be a discussion of national forest policy, including more information about the environmental benefits of sustainable forest management.

The California Licensed Foresters Association, with approximately 750 members, represents the common interests of California Registered Professional Foresters. The Association provides opportunities for continuing education and public outreach to its membership, which includes diverse professionals affiliated with government agencies, private timber companies, consultants and the academic community. Governed by an elected Board of Directors, CLFA was established in 1980 after the passage of the landmark California Professional Foresters Law.

[3] Campbell, Senator William (ret.). Governor's Blue Ribbon Fire Commission, Report to the Governor. April 5, 2004.