As we go to press, Congress is debating the appropriations bill and a provision to protect H-2B employers from forced wage increases that are scheduled to take effect on January 1, 2012. In Florida, a class 3 workers wage would increase from $8 to over $17 an hour. The Florida Forestry Association continues to work with our members of Congress to prohibit the Department of Labor from implementing, amending or enforcing their wage rule. Stopping this onerous rule is critical to keeping tree planting and forest management costs affordable for the forest grower and user.

In a nutshell, if you use H-2B guest workers for any task (hand or mechanical tree planting) you must pay the prevailing wage for the time worked. If you also employ US workers for these same tasks, you must treat the US workers the same as the H-2B workers, that is, pay the same prevailing wage, provide housing and transport, etc. If the Final Rule retains these onerous requirements, many reforestation firms will simply go out of business.

Wage war continues!

The newest data on reforestation and tree planting across Florida shows a significant increase in planting acres for the first time in a number of years. Part of the increase can be attributed to the joint collection process used between the Florida Forest Service and the Florida Forestry Association, and the push to encourage all companies and agencies involved to provide their data. As the chart shows, there was a break in the data from 2009 (the year the US Forest Service ended their grant with the state of Georgia to collect the information for all southern states, and that knowledge was not known until 2010.)

“It’s good to see an upturn, but we must not retreat from our efforts to pressure Natural Resources Conservation Service and Congress to allow for reforestation of large acreages to commercial densities, using all tree species typically grown for the production of forest products,” said Jeff Doran, Executive Vice President, Florida Forestry Association. “Most Farm Bill tree-planting programs are currently designed for conservation purposes with low tree densities and slower growing longleaf. Landowners need more flexibility like they had when the top-levels of tree planting were achieved during the Conservation and Reserve Program (CRP) and Forestry Incentive Program (FIP) days,” Doran concluded.

Tree planting up in Florida

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Southern Pine Beetle protection

The US Forest Service announced today that the agency has protected one million acres of forest through its Southern Pine Beetle Prevention Program. The milestone was reached this fall, on private land in New Kent County, VA.

The Southern Pine Beetle Prevention Program spans 13 states and crosses boundaries from privately owned land to state and national forests, aiming to prevent future outbreaks and losses. More than 13,000 individual landowners have participated in the program, together with hundreds of loggers and contractors across the South, to improve the health of southern forests.

Major southern pine beetle outbreaks have occurred every eight to 12 years, historically. The most recent outbreak affected more than a million forested acres and resulted in an estimated $1.5 billion worth of timber loss. When it ended in 2002, the Forest Service calculated that more than 8.4 million acres of southern forestland were susceptible to the next outbreak, which led officials to take preventative action. Another outbreak could lead to even greater devastating losses for the region and for individual landowners.

The Forest Service established the Southern Pine Beetle Prevention Program in 2003, as a comprehensive strategy to manage losses from the pest by reducing the stress to forests through good forest management. The program was developed through close cooperation with state foresters and national forest managers. Their strategy is proactive and broad, intended to increase the resiliency of pine forests across the South, crossing ownership boundaries and land uses.

For state summaries and additional information, contact the Southern Pine Beetle Prevention Program at http://www.fs.fed.us/r8/spb.
Report released on “Potential Administrative and Economic Impacts of NPDES Permit Requirements for Forest Roads in the South”

The 9th Circuit Court decision requiring that runoff from forest roads be treated the same way as discharges from industrial plants continues to be the center of activity among many state and national forestry groups. Piling on complicated new federal requirements that will raise compliance costs and require new federal permits could bring forest operations to a standstill. Attorneys General in 26 states have requested a Supreme Court review of the 9th Circuit decision.

Meanwhile, additional permitting requirements are considered a huge disincentive to growers and users of forest resources. A recent analysis of the “Potential Administrative and Economic Impacts of NPDES Permit Requirements for Forest Roads in the South,” concludes that a requirement for National Pollutant Discharge Elimination System (NPDES) permits would be extremely burdensome for larger timber owners and operators, and likely disastrous for small owners and operators.

On a per acre basis, the minimum cost for larger forest owners (if they have to get the fewest permits), is $2.08 an acre. For smaller forest owners, it’s $3.13 an acre. On a per acre basis for larger forest owners (if they have to get the most permits), its $14.36 an acre, and for smaller forest owners, $21.54.

On a per harvest basis, the costs of preparing, implementing, and monitoring NPDES forest roads permits would decrease net timber sales returns:

- 19% for larger harvest tracts of 80 acres, and
- 71% for average size forest tracts of 32 acres typical of smaller forest owners.

The study indicated a range between a low estimate of 33,000 and upper bound of 183,000 operation would be extremely burdensome for larger timber owners and operators, and likely disastrous for small owners and operators.

In total these costs for landowners, loggers, procurement organizations, timber owners and operators, and likely disastrous for small owners and operators.

What can you do?

We urge you to write or call the White House. Now is the time the Administration needs to let Congress know that they must take action and stand up for forest growers and forest industry jobs! It is critical that the Administration is aware of the negative impacts this ruling will have on jobs and the economy.

Contact Jon Carson, Director, White House Office of Public Engagement, at jcarson@who.eop.gov or at 202-456-1097, to show your support for the forestry industry and the stable jobs it creates. We ask you to support existing Environmental Protection Agency (EPA) regulations in any judicial actions, including a review by the Supreme Court, and urge EPA not to apply the 9th Circuit decision in other states.

Environmental issues related to Eucalyptus

A Symposium on the “Assessment and Management of Environmental Issues Related to Eucalyptus Culture in the Southern United States” will be held February 22-24, 2012 at the Francis Marion Hotel in Charleston, South Carolina. The event is co-sponsored by the National Council for Air and Stream Improvement, Inc. (NCASI) and the USDA Forest Service Southern Research Station. An agenda and other details about the symposium can be viewed at www.eucalyptusenvironmental.org. Symposium attendees are eligible for up to 15.5 hours of Category 1 Continuing Forestry Education Credit from the Society of American Foresters.

Remembering Wilson Rivers

Florida Forestry Association has lost a good friend, devoted forest landowner and board member with the passing of Wilson S. Rivers. Wilson served on the Board of Directors of the Florida Forestry Association for many years. We remember fondly his clever stories and humorous jokes, as well as the steadfast support he gave to the Tree Farm Program, membership drives, and landowner focused activities. We also will never forget his masterful skill with a bullwhip, which he demonstrated from time to time at our meetings. He will be missed by our staff and many Association members. Our thoughts and prayers are with his wife, Sue, and children, Connie, Will, Scott, and Diane.

Healthy drinking water linked to healthy forests

The US Forest Service today unveiled a comprehensive series of maps that illustrate for the first time, the crucial role forests play in sustaining the watersheds that are most important to the quality of American surface drinking water. The “Forests to Faucets” interactive maps also identify the extent to which those watersheds are threatened by development, fire, insects and disease. Communities can use the data to help determine the important role their forests play in providing clean drinking water to urban areas.

The “Forests to Faucets” project will also help identify watersheds, where a payment for watershed services project may be an option for financing conservation on forest lands. The cost of treating drinking water increases 20% for every loss of 10% of forest land in a watershed. “Spending money on forest management upstream in a watershed saves money on water treatment downstream,” said US Forest Service Chief Tom Tidwell. “The ‘Forests to Faucets’ project provides powerful information that can help identify forest areas that play a key role in providing clean drinking water.”

Farm Bill deliberations move to 2012

Deliberations over a new farm bill are expected to return next year to the traditional process of hearings and markups, after an expedited attempt to build five-year farm policy legislation came to a halt recently. The decision to drop the accelerated farm bill proposal came with the failure of the Joint Special Committee on Deficit Reduction to put forth a plan to reduce $1.2 trillion in federal spending over the next two years. Among the issues left hanging into next year is the fate of programs under the Energy Title of the 2008 Farm Bill, which expires next fall.

International Green Construction Code recognizes SFI

Sustainable Forestry Initiative (SFI) certification is among the forest certification standards accepted by the new International Green Construction Code (igCC), a regulatory tool that helps state and local governments in the United States increase energy efficiency and complement voluntary green building rating systems.

In its bio-based materials section, the Code states that “wood and wood products used to comply with this section, other than salvaged or reused wood products, shall be labeled in accordance with the SFI Standard, Forest Stewardship Council (FSC) Indicators of Sustainable Forestry, Programme for the Endorsement of Forest Certification (PEFC) Council Technical Document or equivalent fiber procurement system. As an alternative to an on product label, a Certificate of Compliance indicating conformance with the fiber procurement system shall be permitted. Manufacturer’s fiber procurement systems shall be audited by an accredited third-party.”

State and local governments in Washington, New Hampshire, Arizona, Colorado, Rhode Island, Oregon, North Carolina, Maryland and Florida have already adopted the igCC, which will be published in March 2012.
Drivers’ use of hand-held mobile phones impacts their ability to operate CMVs safely

New rules issued effective January 3, 2012: Hand-held cell phones prohibited for commercial drivers

Federal Motor Carrier Safety Administration (FMCSA) and Pipeline and Hazardous Materials Administration (PHMSA) has issued a final rule that restricts the use of hand-held mobile telephones by interstate commercial motor vehicle drivers (CMVs) and intrastate hazmat drivers. The final rule prohibits CMV drivers from holding, dialing, or reaching for a hand-held cellular phone. This includes all push-to-talk functions (hands-free use of a cellular phone is allowed.) The ban does not prohibit or restrict the use of Citizen Band Radios, GPS, or fleet management systems.

Under the final rule, CMV drivers who are convicted of a hand-held cell violation twice within a three-year period, will be disqualified for 60 days. If convicted for a third violation within three years, the driver will be disqualified for 120 days. Drivers will be subject to federal civil penalties of up to $2,750 for each offense. Motor carriers that allow their drivers to use hand-held cell phones while operating a commercial motor vehicle face a maximum civil penalty of $11,000 per violation.

Binder straps on 88,000-pound log loads

Those carriers transporting tree-length logs under the 10% weight tolerance permit (88,000 pounds) MUST secure the load with three (3) binder straps, rather than the two (2) binder straps that are required for an 80,000 pound load. It’s been a little over a year since the first 10% weight tolerance permit (88,000 pounds) MUST secure the load with three (3) binder straps, rather than the two (2) binder straps that are required for an 80,000 pound load. It’s been a little over a year since the first 10% weight tolerance permit was issued in Florida, and strict enforcement of the law has begun.

Financing hurdle curbs Port St. Joe biomass project

Rentech Inc., the developer of the Northwest Florida Renewable Energy Center, has pulled out of the project, citing an inability to secure financing. After failing to secure a federal loan guarantee from the US Department of Energy (DOE), Rentec had sought financing in the private sector, but the current economic environment proved one too many hurdles for the project, a 55-megawatt energy plant to be built in Port St. Joe.

The plant, as proposed, would produce steam to drive generators to produce electricity using woody biomass as the fuel source. Progress Energy had an agreement in place to purchase electricity from the plant. Rentech had sought financing in the private sector, but the current economic environment proved one too many hurdles for the project, a 55-megawatt energy plant to be built in Port St. Joe.

The bottom line IS the bottom line. An adjusted gross weight limit up to 97,000 pounds with the addition of a sixth axel, will enable our member companies across Florida as well as the whole nation to compete more effectively on a global basis. For the forest products industry in Florida, greater efficiency translates to:

**Improving highway safety and reducing traffic**
- Will reduce the number of log truck loads hauled annually on Florida highways by 198,000
- Will reduce the annual miles traveled from the forest to the mill by over 21 million (848 trips around the earth)

**Conserving fuel and jobs**
- Will save 4.2 million gallons of diesel fuel annually
- Will save forest business over $10 million in fuel costs
- Will save forest business $13 million in trucking costs
- Will help preserve over 80,000 Florida jobs

**Action on Transportation bill postponed**

House Transportation and Infrastructure Committee Chairman John Mica (R-Florida), has announced that action on Surface Transportation Reauthorization would be postponed until early 2012, allowing for additional time to settle federal funding challenges. While this delay is unrelated to truck weight reform, it will give us more time to continue to encourage support with our members of Congress while they are back in their home districts. Visible support for truck weight reform in a member’s home district is what will help the most in building the political will to win in the Committee, then in the House, and finally in conference with the Senate.

**Taking costs out of the supply chain helps enhance our competitive position**

When it comes to supporting the Safe and Efficient Transportation Act (SETA) for the forest business and any hauler on US interstates, it’s a no brainer: SETA will effectively improve the competitive position for employment levels of Florida and the United States. In manufacturing, transportation plays a huge role in the price of a product. Taking costs out of the supply chain helps maintain and enhance our competitive position. Consider where the US falls when comparing truck weight in competitive countries:

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<tr>
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<td>South Africa</td>
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