Dole Breakfast:

Berkman, Craig - Oregon Republican Party State Chairman COB, Synektron Corp Bishop, Broughton ("Brot") - CEO, Pendleton Woolen Mills Blount, William - Payne Webber Bodell, Ron - President, Bodell's Inc. Brix, Peter - COB, Knappton Corp Cronin, A.M. III ("Bubby") - Pres., Electrical Distributing Inc Davis, Jackie - Oregon Republican Party Furman, Bill - Pres/CEO, Greenbrian Corp Hart, E. B. ("Ed") - Pres., Hart Consulting Hinsdale, Karen - Oregon Republican Party Hoffman, Eric - Pres., Hoffman Construction Johnson, Elizabeth ("Betsy") - Transwestern Helicopters Inc Mark, Mary - Mrs. Melvin Mark Mark, Melvin ("Pete") - Pres, Melvin Mark Properties Merlo, Harry - CEO, Louisiana Pacific Moyer, Tom - Pres., Moyer Theatres Noonan, Dick - Oregon Republican Party Executive Director Pamplin, Robert B. - Chairman, RB Pamplin Corp Riedel, Art - Pres., Riedel Industries Rivera, Frank (Sr.) - Pres., Advanced Data Concepts Smith, Deanna - Mrs. Denny Smith Smith, Denny - Member of Congress Smullin, Patsy - California/Oregon Broadcasting Corp. Valentine, Darcy - Oregon Republican Party Wildish, Thomas - Pres., Wildish Land Co.

This document is from the collections at the Dole Archives, University of Kansas http://dolearchives.ku.edu

jackie meier davis

Aug. 14-7:30 AM

Hillon Hotel
Forum Laite

3ed floor

08-03-00 08/82 FM FROM SEN, BATE SELL-http://dolearchives.ku.edu_ellEot_MOR-FED

Senator Robert Dole M.O.H A.K.H.

G.W.F.

Brantley, Marty & Kay

ATTENDANCE LIST FOR RECEPTION Hosted by Mary & Kay Brantley August 13, 1990

Alamano, Thomas & Peggy Allis, Charles & Sheri Babler, Thomas & Marlene Baker, Gary & Mary Beth

Baldridge, Henry Berkman, Craig

Boothe, Ferris & Dorothy

Bosworth, Duane Braley, Warren Bryson, James Cook, Ward Cross, Travis

DeSylvia, Terry & Guest attorney Edwards, Julie Miller & 2 kids

Eivers, George & Ruth Frost, Chuck & Guest Gilbert, Ted & Mrs. Gilman, James & Mary Halvorson, Carl Harrison, Robert

Hart, Ed Hunt, William H. Huntington, Robert

Jenson, Ed Johnson, Becky

Miner, Rudy Nicol, Mrs. V. Douglas Panaretos, Basil

Russell, John Scott, Brian & Ruth Seal, Bill & Barbara

Starr, Dr. Albert & Victoria heart surgeon Steinfeld, Ray & Janis Stevenson, Catherine

Zavin, William

Ackroyd, Stan Andersson, Christian

Barbour, Gary Bauer, Dave Bauer, Sandy Bollman, Amy Carey, Ross Gravely, Mary Lou Kennedy, Keith Jarman, Dave & Kathy

Jarman, Dan Mallicoat, Sam McGregor, Julie Sharp, Delores Walker, Mark

from Portland Paine, Webber Babler Brothers Construction

retired Chairman, Oregon Republican Party Partner, Boothe & Powers Attorneys Partner, Davis Wright Tremaine

automobile dealer Boise Cascade

Senior V.P., Washington Federal Savings Bank Asst. to the Admin., St Vincent's Hospital

attorney; National Multiple Sclerosis Soc. Pres.

Tektronix

President, Gilbert Brothers

C.P.a. contractor

retired President; Hampton Hardwood Inc.

retired

personal investor

Managing Partner, Stoel Rives Boley, et.al.

President, US Bancorp

from Redmond; widow of Sam Johnson

Longfield, John & Priscilla

Lueddemann, Hillman

Mark, Melvin (Pete) & Mrs.

Trom Redmond; Widow of Sam Johnson
Sub for David Thomas
retired from Pacificorp
President, Melvin Mark Properties Corporate Secretary; Standard Insurance

> housewife from Portland

Raaf, Dr. John and Mrs.

Reesman, Bill & Pat

President, Russell Development

President & CEO, Assn. for Portland Progress

President, Barbara Sue Seal Properties

Steinfeld Pickles

housewife

N.W. Marine Works

Volunteer, Portland Office Intern, Salem Office

Staff, Appropriations Committee

Intern, Salem Office Campaign Staff Intern, Salem Office

Campaign Staff
Friend of Julie McGregor
Staff, Appropriations Committee
Volunteer, Salem Office
Campaign Staff

Campaign Staff

Staff

Campaign Staff

Staff, Appropriations Committee

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MEMO

TO: Joanne Coe FR: Maggie Smith DT: August 10, 1990

RE: Senator Dole's remarks on behalf of Congressman Smith

- ** We need the Senator to emphasize the importance of this race on a national level as well as a state level. The room will be filled with big contributors to the Oregon Republican Party who may or may not have helped out with the Smith campaign. The key is to get those who have not yet contributed to Denny's campaign to give money now!!! **
- ** Kurt Pfotenhauer and Jenna Dorn are here in Oregon for the week and wanted to say hello and thanks for the help. **

BACKGROUND

Denny Smith is in the toughest Congressional race in the country.

- He is at the top of the DCCC hit list and is expecting three independent expenditures on behalf of his opponent.
- His opponent Mike Kopetski, who lost to Denny by 707 votes in 1988 with strong backing of national party, has out raised Dennny in the last four reporting periods.
- He has done this due to \$5000 donations from labor PACs along with New York and Hollywood liberal activists.
- This looks awful at a National level and can not continue on.
- "I have pledged to help Denny Smith in Washington, D.C. but you folks need to help him here in Oregon.
 - If you have not given a maximum contribution then you need to write a check today. And if you have given you need to get two of your friends to do the same."

Post-it brand fax transmittal memo 76/1 # of pages > 2

KEY ISSUES

Timber Supply Controversy

- As many as 50,000 direct timber jobs would be lost.
- Denny Smith has been a KEY leader on focusing the president's attention on this and getting the administration to consider options that would not destroy the Timber industry.
- Denny Smith's opponent is in the preservationist camp; those who would shut down the Oregon timber industry.

Taxes

- Mike Kopetski is typical tax and spend liberal.
- Denny Smith, from his position on Budget Committee, has continuously voted for spending cuts and a balanced budget.

Crime

- Mike Kopetski is against the death penalty and actually voted, when in the state legislature, for early release programs along with allowing criminals sue their victims.
- Denny Smith is the leading figure in Oregon to crack down on career criminals, and is in favor of the death penalty.



REPUBLICAN GOVERNORS ASSOCIATION

MEMORANDUM TO SENATOR ROBERT DOLE

FROM:

MICHELE DAVIS

DATE:

AUGUST 8, 1990

RE:

OREGON -- GUBERNATORIAL STATUS

Attorney General Dave Frohnmayer's campaign for Oregon's open gubernatorial seat affords Republicans with an exceptional opportunity for a pick-up, and is easily one of our top five races in 1990. After incumbent Governor Neil Goldschmidt surprised his party by his announcement not to run for re-election, Secretary of State Barbara Roberts was tapped to be the Democratic nominee.

While Roberts is well-known and well-thought-of, her late entry into the race and lack of adequate funding have reinforced her underdog status.

	5/90	4/90	2/90
Frohnmayer	50%	48	33
Roberts	38	38	28
Undecided			39

With both Roberts and Frohnmayer supporting a pro-choice stand, conservatives have fielded an independent candidate with Al Mobley, a retired Army engineer. Currently, Mobley is pulling only 4% of the vote with his one-issue anti-abortion campaign. However, Republicans are nervous that, should Mobley's fund-raising pick up and if mobilization of the far right wing of the Republican base occur, Mobley could pick up as much as 10 points -- which would be sure to effect the election outcome.

The Federal Government's recent ruling on the spotted owl has become a paramount issue in this race, with the timber industry solidly behind Frohnmayer.

At this writing, Frohnmayer seems a solid winner -- but the next few weeks will be monitored closely to determine if the Mobley forces are making any substantial gains within our own base.

SENATOR MARK O. HATFIELD (R-OREGON)

Washington. D.C. 20510

202 224-37

Date:

1988

#62

Biographical Background Material or Possible Introductory Remarks

Referred to as "the conscience" of the Senate and "a global visionary" U.S. Senator Mark O. Hatfield rose through a 36-year career in politics to hold one of the most influential positions in government as Chairman of the Senate Appropriations Committee from 1980 through 1986, the second longest tenure as chairman in U.S. history. When the Senate leadership shifted in 1987, Senator Hatfield became the ranking minority Senator on the committee. Few elected officials exercise more responsibility over federal spending priorities and few Senators play a more critical leadership role in shaping economic and policy priorities than Senator Mark Hatfield. Not a single dollar flows through the Federal Treasury at the discretion of Congress without first passing through the Senate Appropriations Committee.

As a Lieutenant J.G. in the Navy, he commanded landing craft in some of the bloodiest battles of World War II. He was one of the first U.S. military personnel to enter Hiroshima after the atomic bomb was dropped in 1945. These experiences, coupled with a deep Christian faith and a steadfast belief in the progressive principles upon which the Republican party was first established, have made Senator Hatfield one of the most widely known and respected critics of U.S. foreign policy. Despite warnings of political suicide, as Oregon's Governor, Mark Hatfield cast the only vote at the 1965 National Governors Conference in opposition to a resolution supporting President Johnson's Vietnam war policy. In 1981, Senator Hatfield cast the lone vote in the Senate against enormous increases in the Department of Defense budget.

Known as the father of the Nuclear Freeze, Senator Hatfield joined with Senator Edward M. Kennedy (D-MA) to force a halt to the nuclear arms race. In 1981, he sponsored the first prohibition against U.S. combat troop involvement in El Salvador and in 1984 authored the amendment which successfully deleted funds to conduct the so-called "secret war" in Nicaragua. In 1984, he was credited with singlehandedly preventing renewed production of nerve gas weapons.

Biographical Background Material 1988 Possible Introductory Remarks

Senator Hatfield is also widely known as a champion of fiscal responsibility, human rights and individual freedom. He opposes centralization and excessive power whether it stems from big government, big business or big labor. No Senator has done more than he to curb the tidal wave of deficit spending which threatens to wash away the nation's economic strength and stability. As both Chairman and ranking member of the Senate Appropriations Committee he has stood firm in support of necessary humanitarian, health and social programs, while demanding that the Department of Defense and other sacred cows of the federal government bear their fair share in deficit reduction.

As Oregon's Governor and as United States Senator, Mark Hatfield has worked to broaden and strengthen Oregon's economic base through wise stewardship of its human and natural resources. Governor Hatfield's program of "payrolls and playgrounds" brought new industry to Oregon while developing one of the nation's finest state park systems. He expanded Oregon's community college system and led the effort to create the Oregon Graduate Center, now a leading research institution and a key to Oregon's place at the cutting edge of high technology.

In the United States Senate, Mark Hatfield has continued these efforts. They include the creation of a Marine Science Center at Newport and the Institute for Advanced Biomedical Research at the Oregon Health Sciences University. Recognizing the need for a formidable transportation network to move people and products, Mark Hatfield has injected new life and federal dollars into coastal ports, the Columbia-Snake waterway, local roads and highways and the Portland light rail project. Mark Hatfield's leadership role in enhancing forestry and agricultural research programs has been essential to the survival as well as the potential of these core industries of the state. He led the fight in Congress to bring contract relief to small and medium sized timber companies. He has led efforts to improve forest management through reforestation, while preserving Oregon's unparalled beauty for future generations.

BIOGRAPHY 1988 #61

SENATE SERVICE -- Elected, 1966; reelected 1972, 1978, and 1984.

COMMITTEE ASSIGNMENTS -- Senator Hatfield is Ranking Minority Member of the Senate Appropriations Committee and the Energy and Water Resources Appropriations Subcommittee. He serves on the Commerce, Justice, State, the Judiciary and Related Agencies; Foreign Operations; Labor, Health and Human Services, Education and Related Agencies; and The Legislative Branch Appropriations Subcommittees. He is a Member of the Committee on Energy and Natural Resources with Subcommittee assignments on Public Lands, National Parks and Forests; Energy Regulation and Conservation; and Water and Power. Senator Hatfield is also a member of the Committee on Rules and Administration; The Joint Committee on the Library; The Joint Committee on Printing; The U.S. Senate Commission on The Bicentennial of the Constitution; The National Historical Publications and Records Commission; The Pacific Northwest Trade Taskforce; The Republican Policy Committee; and serves as Chairman of the Arms Control and Foreign Policy Caucus.

SENIORITY -- Senator Hatfield is the 2nd ranking Republican and 10th in seniority out of 100 in the full Senate.

PRIOR PUBLIC SERVICE -- State Representative, Oregon State Legislature, 1951-1955; State Senator, Oregon State Legislature, 1955-1957; Oregon Secretary of State, 1957-1959; Oregon Governor, 1959-1967; Delegate to the Republican National Convention 1952, 1956, 1960, 1964, 1968, and 1976; Temporary Chairman and Keynote Speaker, 1964 GOP National Convention.

MILITARY SERVICE -- U.S. Navy, 1943-1945. Earned rank of Lieutenant J.G. Commanded landing craft Iwo Jima and Okinawa. Duty during occupation of Japan and China Civil War.

EDUCATION -- Graduated Salem High School, Salem, Oregon, 1940; Bachelor of Arts, Willamette University, Salem, Oregon, 1943; Master of Arts, Stanford University, Stanford, California, 1948; Numerous Honorary Doctorate degrees.

PROFESSIONAL -- Associate Professor of Political Science, Dean of Students, Willamette University, Salem, Oregon, 1949-1957.

Author of three books: Not Quite So Simple, 1967; Conflict and Conscience, 1971; and Between a Rock and a Hard Place, 1976.
Coauthor: Amnesty: The Unsettled Question of Vietnam, 1973; The Causes of World Hunger, 1982; Freeze! How You Can Help Prevent Nuclear War, 1982; and What About the Russians, 1984.

PERSONAL -- Born July 12, 1922, in Dallas, Oregon, the son of D.C. Hatfield, a railroad construction blacksmith, and Dovie Odom Hatfield, a school teacher. Married Antoinette Kuzmanich, former high school teacher, Counselor for Women at Portland State University, and author of several cookbooks. The Senator and Mrs. Hatfield are the parents of four children: Elizabeth, Mark O., Jr., Theresa, and Charles Vincent (Visko). When not attending to senatorial responsibilities, Senator Hatfield enjoys gardening and studying presidential history.



HOTLINE 8/10/90

*15 OREGON: GOP POLL SHOWS WIDE HATFIELD LEAD

A NRSC poll, conducted 8/1-2 by Moore Information, surveyed

500 registered voters; margin of error +/- 4.4% (Portland

OREGONIAN, 8/9). Candidates: Sen. Mark Hatfield (R),

businessman Harry Lonsdale (D).

	ALL	GOPers	DEMS	INDS.	5/90
Hatfield	54%	68%	45%	50%	56%
Lonsdale	27	15	39	24	33

The poll shows Hatfield "is continuing to hold a wide lead" over Lonsdale, "However, the survey also showed a large number of uncommitted voters and that much of Hatf .. eld's support is not firm" (Jeff Mapes, OREGONIAN). Of Hatfield's 54%, 32% said they would definitely vote for him, 22% said they probably would. Of Lonsdale's 27%, 13% are definite, 14% are probables. Pollster Moore: "At this point, it would be pretty darn tough for Lonsdale to knock Hatfield off. He's just not going where he needs to go to beat him. " Lonsdale manager Karen Olick "said she thought Hatfield's support level of 54 percent showed the senator was vulnerable. 'That's a very low number' for a well-known senator who has been in office for nearly 24 years." Olick added that much of Hatfield's Dem support could be won by emphasizing Lonsdale's pro-choice position and Hatfield's pro-life one. Hatfield manager Lou Fendall "said the survey showed Lonsdale has not had much success in picking up undecided voters. But he said he didn't think the Hatfield campaign could afford to slack off" (8/9).

*16 TEXAS: GRAMM LOOKS STRONG; PARMER HARDLY KNOWN
A Mason-Dixon Opinion Research poll, conducted 8/5-8,
surveyed 821 likely voters; margin of error +/- 3.5% (KXAS-TV,
KPRC-TV, 8/9). Candidates: Sen. Phil Gramm (R), state Sen. Hugh
Parmer (D).

	ALL	FAV / U	NFAV	NAME ID
Gramm	58%	54% / 1	.6%	94%
Parmer	29	20 / 1	.1	57

OREGON -- STATE SCENARIO (Judy Biviano)

U.S. Senate Race:

POLLING:

The NRSC released a poll conducted August 1-2 by Moore Information, among 500 registered voters which shows Senator Hatfield leading Lonsdale by a 54% - 27% margin.

POLITICAL SCENARIO:

It's difficult to believe that Hatfield could be in jeopardy, but the DNCC believes he's vulnerable. With his pro-life abortion stand, he's a target of the NARAL, and Oregon is being targeted as Iowa is on this issue. The NRSC poll included Portland due to this potential vulnerability, so Hatfield should have the data he needs to articulate his stand effectively.

Hatfield's opponent, Harry Lonsdale, has considerable personal wealth and is a credible businessman. He seems prepared to expend a great deal of money and Oregon's economic distress will be exploited. Though things look good now, the NRSC is keeping a close watch on this race.

Hatfield is running on his record and seniority on the powerful Appropriations Committee.

Gubernatorial.

Oregon is a State where the Republican nominee, Attorney General Dave Frohnmayer, has a tremendous opportunity to pick up the open Governorship. Frohnmayer, older brother of John Frohnmayer, director of the National Endowment of the Arts, has good name recognition and is running about twelve points ahead of Democrat challenger, Secretary of State Barbara Roberts. (See brief from Republican Governors Association).

Congressional.

In Oregon 5, <u>Denny Smith</u> is vulnerable and being targeted. Smith was attacked about being on the boards of directors of a couple of S&L's that failed. He also interceded with regulators and has been subject to attack. Smith has responded to the charges, but the attack is still out there by both his opponent and the press.

Smith is pro-timber and as such <u>spotted owl</u> has been a good issue for him. He's running a conservative campaign on fiscal responsibility, reducing the deficit, and fighting crime and drugs.

Courtesy: RNC research division

OREGON -- POLITICAL BRIEFING

STATE POLITICAL BACKGROUND

- Oregon has voted Republican in eight of the ten presidential elections since 1952.
 Democrat <u>Lyndon Johnson</u> carried the state in 1964 and <u>Michael Dukakis</u> carried the state in 1988.
- o Republicans have won four of the six gubernatorial elections since 1966. Democrats Robert Straub and Neil Goldschmidt won in 1974 and 1986, respectively.
- o Republicans have won all eight U.S. Senate elections since 1966.
- o Oregon's voter turnout is consistently ranked among the highest in the nation.
- o A Democratic Party revival was led by urban liberals such as <u>Robert Neuberger</u>, elected to the U.S. Senate in 1954, and Sen. <u>Wayne Morse</u>, a liberal Republican, then independent, and finally a Democrat in 1956.
- o By the late 1950s, Republicans had made a comeback through moderate party members. The first of the new breed was Mark Hatfield, elected secretary of state in 1956, governor in 1958, and U.S. senator in 1966. Tom McCall, another Republican, succeeded Hatfield as governor in 1966. In 1968, Bob Packwood, a Republican state legislator, defeated Sen. Morse for the other U.S. Senate seat.
- O During the 1960s and 1970s, Oregon state politics was dominated by two governors: Hatfield (1959-67) and McCall (1967-75). Hatfield was a pioneer of economic development, civil rights, and education issues. McCall, a former newscaster, left his mark on environmental issues and conducted the most sweeping reorganization of state agencies in this century.
- o The Legislature has always been split sharply along urban-rural lines. The 1980 reapportionment channeled some power from cities to the more conservative rural areas of the state.
- o The most powerful special interest groups in Oregon are historically the public utilities, the lumber companies, and organized labor.

1988 ELECTION RESULTS

PRESIDENTIAL: Bush 46.7% 560,126

Dukakis 51.4% 616,206

Reagan won 50.1% in 1980 and 56% in 1984.

U.S. SENATE: No race held.

U.S. HOUSE: All incumbents won re-election to the U.S. House.

STATE LEGISLATURE: Republicans lost two seats in the state Senate and lost one seat in the state House.

STATE UNEMPLOYMENT RATE

Oregon's March not-seasonally adjusted unemployment rate was 4.9%, below April 1989's 5.9% rate. The national rate for April 1990 was 5.4%.

STATE ISSUES

NUCLEAR POWER AND WASTE DUMPING:

- Oregonians are concerned that waste from the Hanford Nuclear Reservation, located in southeast Washington near the Columbia River, could harm the river and directly affect the water supply. The Plutonium-Uranium Extraction Plant (PUREX) at Hanford has been shut down for waste clean-up since 1988, and is scheduled to reopen in 1991. PUREX, which produces large amounts of waste in processing spent nuclear fuel rods, will process fuel now stored in aging water basins near the Columbia River.
- o Hanford is slated to receive more than \$367 million in federal funds for waste cleanup to decontaminate the plant and surrounding areas. It is estimated that it will take more than 30 years and \$50 billion to clean up the 560-square-mile Hanford complex.
- O While announcing that he was leaning toward a "final lay-up" of the mothballed reactor, DOE Sec. <u>James Watkins</u> also hinted that some additional waste may be stored at Hanford. The nuclear waste may be redirected if a new disposal site in New Mexico is postponed. In October 1989, following the lead of Idaho Gov. <u>Cecil Andrus</u> (D), (who twice has closed his state's borders to nuclear waste) Washington Gov. <u>Booth Gardner</u> (D) announced that he would refuse to allow the DOE to store additional nuclear waste at Hanford.

LOGGING AND THE SPOTTED OWL:

o The northwest timber industry and environmentalists have been battling over the spotted owl, whose existence in "old growth" forests has prompted ecologists to seek injunctions to block the sale of these forests. In March 1990, the U.S. Forest Service and the U.S. Bureau of Land Management announced the completion of a report recommending that 3 million acres of old-growth forest be set aside as a protected owl habitat, a move that would cost the area upwards of 28,000 jobs.

- On June 23 the owl was placed on the endangered species list. The Bush administration released partial plans on June 27 for protecting the owl at the probable cost of 1,000 jobs (far fewer than earlier projected). President Bush, during a May 21 campaign appearance for Oregon GOP gubernatorial candidate, state Attorney General <u>Dave Frohnmayer</u>, said "I'm interested in the owl, but I'm also interested in the American family ... My inclination is we want a balanced policy [towards logging and the owl]. I want to be known as the environmental president. I also want to be concerned about a person's ability to hold a job and have a job." (The Washington Post, 5/22/90)
- o Members of the Bush administration task force developing a protection plan for Northwest national forests are visiting the region in late July.

Legislation:

- o The current law governing logging interests and the spotted owl was signed by President Bush in October 1989; the bill includes:
 - -- Removing from consideration for sale of 900 million board feet of lumber (leaving 1.1 billion eligible and rescuing jobs in the timber industry).

-- Restoring money for building roads into timber-cutting areas.

- -- Protecting the virgin-forest habitat of the spotted owl by creating protected reserves in Washington, Oregon and California.
- o In May 1990 a measure sponsored by GOP Sen. <u>Bob Packwood</u> was passed in the U.S. Senate giving states the power to ban log exports from state-owned land. The bill is seen as a victory by both the timber industry and environmentalists bent on protecting the owl. Mill workers believe a log export ban will pressure the Japanese into increasing imports of finished lumber (thus increasing employment at the mills). Environmentalists hope for less logging of old-growth forests, preserving the spotted owl's habitat.

Polling:

o A May 1990 Oregonian poll showed that 60% of those surveyed were opposed to a plan that would put millions of acres of timber off-limits to logging in order to save the spotted owl. About 34% of those surveyed supported making more timber areas off-limits to logging.

Timber/Owl Statistics:

- -- Oregon jobs dependent on timber industry: 44%
- -- Average lumber salary: \$23,260
- -- Number of owls on timber harvesting lands: 5,000
- -- Old growth timber on federal lands: 7.5 million acres
- -- Old growth timber in preserved areas: 4.2 million acres
- -- Federal timber cut in 1989: 5 billion board-feet

SPECIAL SESSION:

- On May 7, 1990 the Oregon Legislature met in its first special session in six years, passing a sweeping reform of the state's workers' compensation system. Lawmakers passed bills limiting the kinds of injuries covered by the system, increased safety programs, improved benefits and tripled the notice that workers' insurance companies must give if they want to cancel entire classes of business. Gov. Goldschmidt signed the bills into law the same day.
- o A May 1990 ballot proposition to create annual legislative session was defeated by Oregon voters. Lawmakers will continue to meet for about 180 days every other year.

OFFSHORE OIL DRILLING:

o In March 1990, Interior Department officials approved a plan delaying oil drilling off the Oregon and Washington coasts until after 1998. The proposal would negate any plans to sell drilling leases in 1992 in those states.

DRUGS:

o Three weeks after President Bush introduced his National Drug Control Strategy GOP Sen. Bob Packwood emphasized Oregon's drug war, saying (to the U.S. Senate) "Oregon [is] on the front line of the war on drugs." (UPI, 9/28/89) The Senate then passed a plan including \$900 million more than Bush's proposal. The new allocation will boost Oregon's share of a Justice Department matching grant for state and local enforcement from \$1.5 million to almost \$5 million in FY90.

ABORTION:

- o Since the U.S. Supreme Court's <u>Webster</u> decision in July 1989, a statewide survey on abortion showed a 49%-49% split on curbing the practice. This indecisiveness is not, however, reflected in the strong pro-choice views of Democratic Gov. Neil Goldschmidt or the Democratic-controlled state Legislature.
- o The next legislative session will begin in January 1991, it is unlikely that restrictive measures would be passed in this liberal state. The current law allows state funding of abortion.
- Oregon voters will likely face two pro-life initiatives in the November, one banning abortion except in cases of rape, incest or a threat to the life of the mother and the other requiring doctors to notify at least one parent 48 hours before performing an abortion on a girl under 18.

1988 PRESIDENTIAL ACTIVITY

o President George Bush lost the state to Gov. Michael Dukakis by a 51%-46% vote margin.

- o Crook County, located in central Oregon, voted against the winning presidential candidate for the first time in 100 years.
- o The co-chairmen of the Bush-Quayle campaign in Oregon were Alan Green Jr., Don Wyant, and John Graham.

STATE POLITICAL SUMMARY

Open Primary:

- o In February 1990 the state Central Committee voted to open the party's 1990 primary election to independent voters. The ruling will only apply to the May 15, 1990 primary (filing deadline was March 6, 1990), if the change is successful the party will then decide to permanently change the system.
- o The state Legislature gave state parties the right to open their primaries in 1987. State GOP officials, aware that the number of independent voters is on the rise, are hoping that the move will help the party win state legislative races.
- o State House GOP Leader <u>Larry Campbell</u> praised the decision saying, "We can get people who are registered as independents involved in the political process." (AP, 2/10/90)

Campaign Fines:

- o On Dec. 5, 1989 Democratic Secretary of State <u>Barbara Roberts</u> fined Oregon Democrats \$65,140 for omitting thousands of dollars in contributions from campaign finance reports filed in 1988 and 1989. Roberts called the bookkeeping practices of the Oregon Democratic Party and two political action committees controlled by state House Democrats "out of control" during the 1988 campaign. (UPI, 12/5/89)
- o Most of the proposed fines will have to be paid by House Majority Leader <u>David Dix</u> (who announced he would step down from his leadership post), past treasurer of one of the PACs and state Sen. <u>Shirly Gold</u>, the current treasurer. Over \$65,000 in contributions were omitted from the finance reports.

Cub Houck:

- o In January 1990, state Senate Republican Leader <u>Cub Houck</u> suffered a massive stroke. GOP state Sens. John Brennaman was elected to replace Houck in February 1990. Houck will not run for re-election in 1990. GOP National Committeeman <u>Don Wyant</u> will face <u>Democrat Tricia Smith</u> in the November general election.
- o The 1990 primaries were held on May 15.

1990 SENATORIAL ELECTION:

- o GOP Sen. Mark Hatfield has held statewide office in Oregon since 1956. In 1984, Hatfield won a fourth U.S. Senate term by defeating Democratic state Sen. Margie Hendriksen, 66%-34%.
- O Hatfield announced his decision to run for re-election in October 1989. President Bush and Democratic Gov. Neil Goldschmidt had publicly urged Hatfield to seek re-election. Hatfield easily dispatched GOP environmentalist <u>Randy Prince</u>, 78%-22% in the May 15 GOP primary.
- o Hatfield's campaign gained some unneeded publicity in March 1990 when he missed the filing deadline to submit material for a voter information pamphlet. As a result, the wellknown, four-term senator did not appear in the pamphlet.

Democrats:

- o In December 1989 possible Democratic candidate U.S. Rep. Ron Wyden announced his decision to seek a sixth term in the House rather than challenge Hatfield. Wyden was widely considered the only state Democrat able to mount a serious challenge to Hatfield.
- o Democratic businessman <u>Harry Lonsdale</u> declared his candidacy in January 1990. Lonsdale, an environmentalist, failed to obtain the backing of the Oregon AFL-CIO, which refused to even consider supporting the Democratic candidate. Lonsdale won the Democratic primary with 63% of the vote; five opponents split the rest.
- o In a wonderful moment of election day irony, Hatfield's office announced the arrangement of a \$49,750 medical research grant to a firm owned by Lonsdale; the grant was part of a program authorized by the Department of Health and Human Services.

Issues:

- -- Timber/Owl: Lonsdale is attempting to lambast Hatfield for siding with the timber industry on the spotted owl (Hatfield opposed naming the bird to the endangered species list) and for opposing a ban on raw log exports from private lands in the Northwest.
- -- S&L: Lonsdale picked up on a popular campaign theme -- the thrift industry but has so far failed to make it stick in July 1990, calling Hatfield "the biggest winner in the competition for bank and thrift money" (The Oregonian, 7/11/90) Hatfield received less than \$10,000 from S&L PACs in the past decade, and when pressed, Lonsdale admitted in an interview that he would have voted in favor of the bailout also.
- o The Cook Political Report (5/29/90) rates this race "likely Republican."

1990 GUBERNATORIAL ELECTION:

- o On Feb. 8, 1990 first term Gov. Neil Goldschmidt announced that he and his wife of 25 years will be separating (he filed for divorce on July 13), and therefore he would not seek re-election in 1990. The news came as a shock to state Democrats. Goldschmidt partially blames Republicans for spreading rumors about his marital troubles, attacking RNC Chairman Lee Atwater as "a sleazy guy" and "Mr. Garbage." (The Oregonian, 2/27/90) Democratic Secretary of State Barbara Roberts announced her candidacy following Goldschmidt's announcement.
- Oregonian columnist <u>Steve Duin</u> (2/11/90) called Roberts "short on patience and some other key ingredients in this game ... Time... Money ... Teamwork ... [and] Campaign Strategists." Roberts has obtained the backing of Democratic House Speaker <u>Tom Foley</u> (who attended a March 25, \$1,000-a-plate fund-raising dinner for her) and the Democratic-leaning Oregon Education Association (who donated \$50,000 to Roberts' campaign). The union donated \$140,000 to Gov. Goldschmidt's 1986 campaign.

Republicans:

- October 1989. Goldschmidt's decision not to seek re-election is widely seen as a great boost for Frohnmayer, although his campaign strategy will now focus on Roberts, rather than a referendum on Goldschmidt's administration.
- o President Bush attended a breakfast fund-raiser for Frohnmayer on May 21, 1990. The \$1,000-a-plate event netted over \$800,000. Frohnmayer began TV ads before the May primary, in which he received 79% of the vote against a field of six little-known opponents.

Issues:

- o Frohnmayer is considered the front-runner, issues in the campaign include:
 - The spotted owl: Roberts finds herself in an unpopular position supporting the owl over blue-collar loggers; while her position will play well in the more urbane, liberal Portland area, Frohnmayer opposes naming the owl to the endangered species list. This will be the high-profile issue of the campaign. In late June Frohnmayer launched a series of radio ads charging that Roberts has completely forsaken Oregon's timber industry. The ads are running in smaller Oregon communities outside of Portland and cost about \$300,000.

Finance Reports:

o Roberts had raised \$307,000 by the April 5, 1990 deadline (less than two months after her announcement), with \$197,000 cash-on-hand. Frohnmayer had raised \$1.8 million by the April deadline and had \$601,000 cash-on-hand. Frohnmayer expects to spend \$3 million in his campaign.

Polling:

o A statewide Oregonian survey (n=521 registered voters, 4/23-5/1/90, +4.3%) showed that Frohnmayer would defeat Roberts, 50% to 38% (up from 33%-28% in February 1990). Roberts' support was strongest in the Portland area and there was a slight gender gap in her favor.

OTHER 1990 STATEWIDE ELECTIONS:

State Schools Superintendent:

On Oct. 5, 1989 former secretary of state and 1986 GOP gubernatorial candidate Norma Paulus announced her intention to run for state school superintendent against incumbent John Erickson. Paulus captured 66% of the vote in the May primary to easily win election as state superintendent.

U.S. HOUSE OF REPRESENTATIVES:

o Congressional Delegation:

2 Republicans

3 Democrats

- o All the incumbent congressmen were re-elected in 1988.
- o 1988 election results:

CD	Winner	Percentage
1	Les AuCoin (D)	70%
2	Robert F. Smith (R)	62%
3	Ron Wyden (D)	100%
4	Peter A. DeFazio (D)	72%
5	Denny Smith (R)	50%

bold = Republican

KEY 1990 CONGRESSIONAL RACES

Fifth C.D.:

o GOP Rep. <u>Denny Smith</u> was elected to a fifth term in 1988, defeating Democratic state Rep. <u>Mike Kopetski</u>, 50.1%-49.9%. Smith will face a tough 1990 campaign from Kopetski; the NRCC and the DCCC view the race as one of the closest in the country.

- o The June 1990 FEC reports show Kopetski having raised \$147,791 in the 2nd quarter with \$93,248 cash-on-hand; Smith raised \$85,759 with \$137,237 cash-on-hand. Both parties expect this to be an expensive race; Smith hopes to raise more than a \$1 million to defeat Kopetski. Neither Smith or Kopetski faced primary opposition in May 1990.
- o On March 29, 1990 Smith's office announced that he was diagnosed as having a benign tumor on his pituitary gland at the base of his brain. Doctors hope to eliminate the tumor with medication.

Issues:

- -- Ethics: In September 1989 Kopetski filed a complaint with the Democratic Congressional Campaign Committee accusing Smith of purposely publishing telephone number on campaign literature. In December 1989, an Oregonian news article purported Smith had unethically lobbied for protection of the directors of failed State Federal Savings & Loan Association of Corvallis. Smith, who served on a Salem S&L board, opposed federal lawsuits against the board of the Corvallis S&L. Smith acknowledges he "went to bat" for the board, and "tried to do everything as honestly as [he] could." (AP, 12/19/89)
- -- Abortion: Pro-life Smith has been targeted for defeat by the National Abortion Rights Action League (NARAL); Kopetski is pro-choice.
- -- Campaign Violations: On July 19 Kopetski's campaign announced that they intend to file a complaint with the House Ethics committee accusing Smith of using his staff for campaign work. Smith's office acknowledged that a staffer may have mistakenly faxed a page of campaign material; NRCC Co-Chairman Ed Rollins accused Kopetski of "playing politics with congressional ethics." (AP, 7/24/90)

Redistricting:

- o Oregon Democrats have targeted Smith's district for gerrymandering, should he win reelection in 1990. Smith's seat, south of Portland, could result in a largely Democratic district with the addition of nearby Democratic neighborhoods (see below).
- o The Cook Political Report (5/29/90) rates this race "a toss up."

1991 REDISTRICTING

- Oregon does not stand to gain or lose a congressional seat in 1991. A state legislative committee is responsible for drawing Congressional and legislative districts. The governor has veto power over the committee's plans.
- o In an effort to prevent the Democratic redistricting targeting of U.S. Rep. Denny Smith's district, the state GOP has targeted state House races, (Republicans are three seats short of controlling the House) and the governor's race in 1990.

o State Democrats could still control the redistricting process in 1991. In a likely scenario, redistricting passed by the Democratic Legislature would be vetoed by GOP Gov. Frohnmayer. The redistricting would then by law go to the Secretary of State's office (Democrat Barbara Roberts). Should the Legislature fail to agree on a plan the responsibility would still go to Roberts' office (and should Roberts become governor she would appoint her own replacement).

STATE LEGISLATURE: In 1988, Republicans lost two seats in the state Senate and lost one seat in the state House. One-half of the Senate, and the entire House are up for re-election in 1990.

State Senate: 11 Republicans 19 Democrats State House: 28 Republicans 32 Democrats

STATE PARTY UPDATE

- o On Aug. 29, 1989 GOP state Chairman T.J. Bailey announced his resignation. According to The Oregonian (8/29/89) Bailey's tenure in office "put the party organization on record in opposition to gay rights and legalized abortion two divisive social issues that split GOP activists in the state." In 1988 Bailey was also criticized for losses in the state Legislature.
- o On Sept. 24, 1989 Portland businessman and Bush fund-raiser <u>Craig Berkman</u> was elected the new state chairman. He appointed vinter <u>Dick Noonan</u> as the new executive director.
- o In September 1989, RNC Chairman Lee Atwater presented a check for \$25,000 to the state GOP in Oregon and encouraged then-unannounced candidate GOP Attorney General Dave Frohnmayer to challenge Gov. Neil Goldschmidt (D) in 1990. An October visit by Vice President Dan Quayle helped the party raise over \$300,000.
- o On June 1, 1990 former President Ronald Reagan hosted a fund-raising event in Portland for the state GOP. The event raised between \$50,000 and \$60,000.

Registration Drive:

o RNC Co-Chairman <u>Jeanie Austin</u> has developed a \$45,000 registration drive (part of a national change-of-address program) for the Oregon GOP.

State Legislature:

One of the priorities for the state party in 1990 is the state Senate. RNC Political Division reports that Oregon Democrats will try to retain 10 incumbents, while the GOP will seek to protect five. Two Democratic state senate seats are deemed "vulnerable." Republicans are three seats short of controlling the state House. Multnomah County Chairman <u>Tim Nashif</u> and state House GOP Leader <u>Larry Campbell</u> are currently working on an effort to re-register Democratic voters in three targeted House districts

State Democratic Convention:

o The state Democratic Party passed a resolution at their April 1990 convention calling for a ban on all logging in old-growth areas. Most Democratic lawmakers (except for Democratic gubernatorial candidate Barbara Roberts) quickly distanced themselves from this measure.

REPUBLICAN PARTY OFFICIALS

STATE CHAIRMAN:

Craig Berkman

NATIONAL COMMITTEEMAN:

Don Wyant

NATIONAL COMMITTEEWOMAN: Marylin Shannon

BUSH-QUAYLE CAMPAIGN

CO-CHAIRMEN:

Alan Green Jr.

Don Wyant

John Graham

ELECTED OFFICIALS

GOVERNOR:

Neil Goldschmidt (D) - elected in 1986.

SENATORS:

Mark Hatfield (R) - re-elected in 1984.

Bob Packwood (R) - re-elected in 1986.

STATE LEGISLATURE

Senate Minority Leader House Minority Leader

C.T. "Cub" Houck Larry Campbell

STATE BACKGROUND

- o The Portland Oregonian is the state's most widely read and powerful newspaper, although no longer "the great oracle" of state politics.
- o Oregon politics reflect environmental values, such as the protection of its shorelines, valleys, mountains, rivers, and forests.
- o Oregonians have long sought to prevent rapid development of the state.
- o Almost half of the nation's entire lumber production is located on the Pacific Coast. Since 1937, Oregon has been the top producer of forestry products. Tourism, fishing, lumber/timber, shipping, electronics, and some heavy industry are the state's industries.

OREGON

- * The spotted owl issue continues to be a major campaign issue in all of the Northwest. Republican gubernatorial candidate Dave Frohnmayer has vowed to fight to preserve the jobs in the timber industry while Democrat gubernatorial candidate Barbara Roberts has suggested that those timber workers who have lost their jobs move to Portland and be retrained for service jobs. She believes that "we need to play the hand we've been dealt" and accept the loss of as many as 28,000 jobs.
- * The most recent poll shows Dave Frohnmayer leading Barbara Roberts by 10% and Independent candidate Al Mobely carrying 8% of the vote .

Denny Smith's role in S&Ls

Report: He wanted special treatment

The Associated Press

PORTLAND — Rep. Denny Smith, R-Ore, lobbied for protection of directors of troubled savings and loan institutions in 1987 — while he himself was one of them.

Details of his campaign for leniency for thrift directors and a separate effort to seek civil immunity for himself have been outlined in documents The Oregonian obtained through the Freedom of Information Act.

No one has alleged any specific violation of law or House ethics by Smith.

Edwin J. Gray, the former chairman of the Federal Home Loan Bank Board, said Smith wanted special treatment.

Gray questioned the propriety of Smith's



wanted Donny Smith

effort "to get regulators to modify a position" that would benefit him.

But Smith said he had not lobbied for his own benefit.

"Rather than having a namby-pamby approach to something that was very hurtful to some of my constituents, I was very aggressive," Smith said. "I tried to get the regulators off their back. I don't think I did anything wrong. I don't think there is anything I would do differently."

Wholesale failures in the savings and loan industry in the 1980s led to the biggest taxpayer bailout ever as the government made good on federally guarante deposits and injected new capital into a ing institutions.

Smith was director of American Fed al Savings & Loan of Salem, a position which he was named in 1977. He mained in the job for seven years after 1980 election to Congress.

Smith also was a partner in a real tate venture with Citizens Savings Loan of Salem.

Smith strongly opposed federal has suits against directors as part of his cs paign against a pair of May 1986 laws.



questioned

naming 24 directors and officers of State Federal Savings & Loan Association of Corvallis.

Smith's lobbying drew so much attention that it may have prompted a federal inquiry into his real estate deal. The investigation found no wrongdoing.

Smith attributed the inquiry to vengeful regulators.

"They would love to have had something on me. I was poking them in the eye on this other deal," he said, referring to his criticism of the State Federal lawsuits. Turn to Smith, Page 2A.

Smith/Report says he wanted special treatment for directors

Continued from Page 1A.

Those regulators who were involved either declined comment or said they could not recall their motivations.

Smith's efforts began in 1986 and continued into 1988.

At least one other regulator besides Gray complained about Smith.

David Felt, a lawyer who formerly

worked for the Federal Savings and Loan Insurance Corp., said, "He called me on the phone, upbraided me in very wrong language, interspersed with swear words and personal attacks."

Felt said he questioned "the propriety of a congressman who's sitting on the board of directors of a failed savings and loan trying to influence the agency's policy" on directors' liability. In May 1986, federal regulators filed lawsuits against former directors and officers of State Federal. Jimmie C. Taylor, a defendant who gave \$1,600 to Smith's 1980 campaign, saked him to intervene.

Smith wrote to Gray. In a letter dated July 17, 1986, he said that he did not want to "interfere in legitimate criminal prosecution" but that "good faith business transactions" should not prompt criminal charges.

A month later, Smith wrote President Reagan, asking him to fire Gray.

"Local officials have been led down the road by the regulators and then clobbered from above," Smith wrote.

Ralph Christy, a federal lawyer, told Smith in a September 1986 latter, "I continue to believe it is inappropriate for us to be discussing the details and merits of

in S&L crisis

In his letters, Smith blamed State Federal's failure on a poor economy and poor supervision by regulators who later filed lawsuits to divert attention from their own mistakes.

Regulators said fraud accounted for \$100 million, or two-thirds of State Federal's losses.

Bond, OR (Deschutes County Cle. D. 10,0361 Ch. S. 10.042 DEC 1 9 1989

ith defends his S&L actions

SALEM SAP - Rep. Denny Smith says be doesn't think his political career will be harmed by discloeures that he lobbied for protection of directors of troubled savings and loan institutions while he was one such director.

"I have done nothing wrong," the Republican congressman said at a news conference he called Monday to respond to questions about his activities.

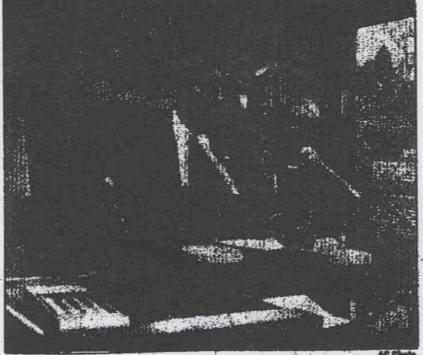
The Oregonian newspaper, in its Sunday editions, detailed Smith's campaign for leniency for thrift directors and a separate effort to seek civil immunity for himself.

Smith told reporters Monday he "went to bat" for savings and loan directors who were being beended by federal regulators and that he "tried to do everything as honestly as I could."

Asked whether the issue would harm his prospects of winning reelection next year, Smith said, "I don't think so."

"The facts show there's nothing wrong," the 5th District Republican said

Smith narrowly won a fifth term in Congress by defeating Democrat Mike Kopetski by 707 votes in the 1988 general election.



Denny Smith fielded queries at news conference

Kopetaki, who's expected to run against Smith again next year, said he thinks Smith's conduct raises perly tried to "have leverage over federal regulators."

"It's too early to may whether it's going to be a campaign issue," questions about whether he impro- Kopetski said. "But it does raise questions about whether he has

crossed a line and used his public office for personal gain."

"If these allegations are true, then I think he's in trouble,' Kopetski said.

The issue is a sensitive one for Smith because taxpayers are being asked to foot the bill for a \$160 billion bailout as a result of wholesale failures in the savings and loan industry.

Smith served on the board of American Federal Savings & Loan Association of Salem, which failed in December 1988.

He strongly opposed federal lawauite against directors as part of his campaign against a pair of May 1986 lawsuits naming 24 directors and officers of State Federal Savings & Loan Association of Corvallia.

At his news conference, Smith said no one has specifically alleged any wrongdoing "precisely because I did nothing wrong."

"I have always been careful to draw a clear, distinct line in my life es a congressman and as a private citizen," he said. "With regard to the matters listed in the Oregonian) story. I never crossed that line."

Denny/Kurt

FOR USA TODAY: Friday, June 22, 1990 450 words

CONTACT: Tony Williams

(202) 225-5711

WORKING OREGONIANS ARE THREATENED, NOT SPOTTED OWLS

By Congressman Denny Smith

When bureaucrats huddled over whether the spotted owl should be listed as an endangered species, the rights and concerns of thousands of working men and women in Oregon's timber industry were never concerned.

The Endangered Species Act was never intended to be a tool for radical, environmental groups to use against timber workers living in the Pacific Northwest.

For over 140 years, Oregonians have logged our Pacific
Northwest forests. During that time, we've been responsible
stewards of our land. We've harvested. We've reforested. We've
preserved for future generations.

Our partnership with the land has produced a bustling economy, clean air, clean water and 27 million acres of beautiful, productive forests. Our Oregon environment is so pristine that it is the envy of America.

A vocal minority claim that every old growth tree will be gone in just a few years -- that's not true. What their propaganda doesn't report is that we've already preserved over 2.4 million acres of wilderness in Oregon. That's a 2-mile wide path of trees from Portland to New York City.

For years, the federal government has had a working agreement with Oregonians. Our people have helped manage the land, in exchange for a guaranteed federal timber supply.

In the past 20 years, our federal landlords have put the pinch on rural economies. In 1970, Western Oregon had 7.3 million acres in our federal timber base. Today, we're down to 3 million acres with every timber sale held up because of court challenges.

That's wrong.

Harvesting timber means more than good-paying jobs. Timber means newspapers, books and magazines printed on paper made from wood pulp. And it means the American Dream for millions of Americans whose homes contain plywood and other wood products made from trees harvested in the Pacific Northwest.

But, the U.S. Forest Service estimates that the cost of an average new home will increase by \$3,000 increase with the spotted owl listing.

Not harvesting American timber will force us to pay whatever "ransom" foreign countries charge to import wood products that still grow right here in America.

This is not necessary. We are protecting the environment. We are protecting our old growth forests. And the spotted owl is getting along just fine. This federal government overreaction is not necessary.

A win-win for Oregonians and Americans will continue if we consider balanced, "common sense" approaches for management of our natural resources.

And as the Congressman from Oregon's 5th Congressional District, I will continue to fight for environmental policy that does not forget our people.

FOR IMMEDIATE RELEASE April 25, 1990 986 words

CONTACT: Tony Williams

(202) 225-5711

PRESERVING ENVIRONMENT DOESN'T MEAN FIRING TIMBER WORKERS

BY CONGRESSMAN DENNY SMITH

Here in Oregon, we've always balanced our basic need to survive with well-placed respect for our environment.

The result of this partnership with the land has been a bustling economy, clean air, clean water and millions of acres of beautiful forest.

Sadly, the Democrat Party and a team of government scientists have chosen to polarize this issue heavily in favor of the northern spotted owl. The Democrat Party platform and the potential listing of the spotted owl as an endangered species ignore the responsible concerns and fears of thousands of Oregon families who live and work in our forests.

Those who would lock Oregon timber workers out of our forests are well-meaning, but wrong. We need our timber communities. Their survival must be our greatest concern.

If harvest levels are drastically reduced, rural communities throughout Oregon will be devastated. And here in the Valley we'll face a faltering economy, increases in property taxes, high unemployment, and forced cuts in school programs.

As I see it, our action plan for a clean, healthy environment, and a strong, growing economy must focus on these goals:

Step 1 -- "Certainty of supply" for our timber industry:

At last year's timber summit, testimony presented said Oregon's timber industry will survive in perpetuity with an annual harvest of 5 billion board feet.

According to the U.S. Forest Service, only 49 percent of the national forest land in Oregon and Washington is available for harvest. Even though we have protected over half of our land, we still have to constantly battle over the remaining amount to obtain enough timber to keep our people working.

And if the spotted owl is listed as an endangered or threatened species, another four million acres of federal forest land will be taken out of the harvest base.

Harvesting timber means more than jobs in timber communities. It means money for schools, local roads, and property tax relief to Oregon property owners.

In 1989, federal timber receipts provided \$271 million to schools and county road programs. In the Fifth District -- which includes Benton, Clackamas, Linn, Marion and Polk Counties -- our timber industry was responsible for over \$38 million in direct property tax relief.

Will Oregonians support further cuts at the local schoolhouse, or will our choice be higher property taxes? I think neither.

Stopping the harvest of trees will also hinder efforts to diversify our Oregon economy. What CEO in their right mind would consider building a plant in Oregon when the economy is at rock bottom and tax rates are skyrocketing? Not too many, I'm sure.

Step 2 -- Implementation of the Hatfield-Adams Act:

For the short-term, the Hatfield-Adams timber compromise, must be fully implemented. Oregon's timber industry should be allowed to meet the 9.6 billion board feet harvest levels for 1989 and 1990 as approved by Congress last fall.

Step 3 -- Ban log exports from state and federal lands:

When an Oregon logger cuts a tree in an Oregon public forest, that log should be processed by a millworker in Oregon...not put on a boat and hauled to Japan for processing.

The federal ban on log exports should be made permanent, and Congress should allow Oregon to ban exports from state lands. But, even if we stop all log exports from state and federal lands, we still won't have enough timber to keep our mills up and running.

In the end, the basic question still remains: how will we replace the 50,000 jobs that are lost when Oregon timber land is further locked up for spotted owl habitat?

Step 4 -- Modify the Endangered Species Act:

Spotted owl studies done by the government have not been balanced or complete. First, the human factor has never been considered. Listing the spotted owl will personally hurt thousands of Oregonians, yet their suffering receives little attention.

Second, the northern spotted owl is a sub-species of a species that is nowhere near extinction. We're not short of owls, there are thousands and thousands of owls flying and nesting throughout Oregon. The northern spotted owl's biggest problem is that its predators -- most notably the great horned owl -- are hunting them down.

Third, state, private and National Park forest lands -which account for almost half of the forest land in Oregon -were not surveyed for spotted owls. And I've been told that
spotted owls survive quite well in second-growth areas. How can
the government say it has an accurate report when such large
areas weren't surveyed?

Step 5 -- Set aside land for harvesting and reforestation:

A portion of our public land -- about one-third would be sufficient -- should be set aside as a resource area for intensive harvesting and reforestation.

We already have a wilderness system that allows for hiking and camping in the woods, but no roads or motorized vehicles.

Let's continue that tradition and be sure that a portion of our old-growth forests remain preserved.

At the same time, let's be sure that we continue areas for what I like to call "intensive recreation." These would include lakes for fishing and waterskiing, snowski and snowmobile areas in the mountains, and managed campgrounds suitable for tents and recreation vehicles.

And, finally, let's close the loop and set aside some land for timber harvesting.

The result of this action plan is that everyone can win.

Timber workers still have their jobs, our Oregon economy remains strong and growing, property tax rates won't have to be increased, and even more Oregon land would be preserved for the enjoyment of future generations.

Any solution we devise must be geared to protect our workers and Oregon's environmental heritage. Such ideas will lead to a positive future for Oregon, and keep us from destroying our heritage and way of life.

*SEN. HATFIELD D. C.

P02

SENATOR MARK O. HATFIELD (R-OREGON)

Washington, D.C. 20510

202 224-3753

June 20, 1990

8. 10. 90 11:11 AM

HATFIELD INTRODUCES BILL TO ADDRESS FOREST PLAN IMPLEMENTATION, CALLS IT A KEY ELEMENT OF THE LONG TERM SOLUTION

Senator Mark Hatfield introduced a bill today that would amend the National Forest Management Act to improve forest planning and implementation procedures. Hatfield said the bill was part of a package of related legislation he intends to introduce in an effort to resolve the Northwest's forest management crisis.

"As one of the authors of the National Forest Management Act (NFMA) of 1976 I can tell you that it was our hope it would provide the appropriate forum for input into land management decisions," Hatfield said today from Washington as he announced the introduction of the "National Forest Plan Implementation Act."

"The NMFA process was designed to facilitate balanced, legally supportable decision making-taking all views into account. Unfortunately, the process has broken down. Serious and fundamental disagreements over the multiple use management of our resources have triggered a number of lawsuits, which in turn have polarized public opinion and created a gridlock for our federal resource managers."

Hatfield said the breakdown in the forest planning process has crippled federal agencies' ability to complete the forest plans and thrown the future of entire communities into limbo.

The bill introduced today would:

- * Establish standards for amending and revising forest plans to promote better planning results and to avoid interruptions in forest plan implementation during amendments and revisions.
- * Assure the ability of Forest managers to continue management activities under a legally sufficient and publically reviewed forest plan in the event of an injunction.
- * Ensure final plan implementation by expediting administrative and judicial review procedures.

"The real world product of the current process has been nothing but confusion and gridlock. Oregonians need certainty, they need a predictable timber supply, and they need to know that their forests are going to be managed properly."

The Act does not specifically address spotted owl or old growth issues, nor does it make any attempt to amend the Endangered Species Act. The bill would continue the current direction to provide protection for fish and wildlife, old growth, and other forest values. If passed into law, the bill would apply to forest plans currently being drafted.

The bill retains the right of individuals to challenge planning and management decisions in a court of law.

"In a few weeks I intend to introduce an old growth protection bill for discussion purposes," Hatfield said. "Taken together with my capital gains incentive proposal to keep raw logs at home, this legislative package begins to address the long term solution from a balanced point of view."

"The long term process has begun," he added.

"This represents a fair, balanced, and reasonable approach to the process of managing our forest resources. To those committed to stabilizing national forest management, this bill offers some hope. To those who are committed to shutting down our forests, this bill will not be welcome."

SENATOR MARK O. HATFIELD (R-OREGON)

Washington, D.C. 20510

202 224-3753

June 26, 1990

Senator Mark Hatfield had the following reaction today regarding the announcement of a process for the development of an Interim Protection Plan of the Northern Spotted Owl:

This is a responsible approach that allows the federal agencies to work with Congress and the affected states to develop a balanced interim protection plan. I had urged the Administration to follow a process that ensured adequate protection for the owl while considering the stability of our many timber dependent communities. I am extremely pleased that this is the direction they chose to embark on at this critical point in time.

The White House deserves credit for pursuing a process that offers a balance that I believe most Oregonians are looking for. Now we must move ahead because the future of Oregon depends on the direction we take from this point forward.

Any ultimate resolution to this problem will have to address the future of Old Growth forests that are not included in the Thomas Committee report.

202 224-3753

POS

SENATOR MARK O. HATFIELD (R-OREGON)

Washington, D.C. 20510

June 22, 1990

REMARKS OF SENATOR MARK O. HATFIELD ON THE LISTING OF THE SPOTTED OWL AS A THREATENED SPECIES

The listing of the Spotted Owl as a threatened species is one of the most important decisions affecting Oregonians in my memory. But now is not the time for rhetoric. It is a time for cool, concise, and cooperative thinking. It is important to note that this is just the beginning of a process during which a recovery plan for the owl will be crafted. This process is going to take anywhere between eighteen months and two years to complete.

In the meantime, we have to have an interim plan, and that interim plan will probably be announced in the next few days by the administration. That interim plan is designed to get us through the period it will take to develop a recovery plan for the owl. We have the science with the Thomas Report. Now we have to plug in the economic impact, the social impact, the community impact, the educational impact, the tax impact, and all of the other factors in order to come up with a recovery plan.

I plan to work with the administration to achieve a balanced solution in the interim, which is going to have to sustain us at approximately the current level of timber supply for this 1991-1992 period.

This kind of an interim plan will guarantee the sustaining of the basic timber economy of our state, which means jobs for our people and materials to provide homes for the growing number of homeless and the poor. And it's going to provide us with the receipts to help sustain our schools and prevent a rapid escalation of property taxes to offset the loss of forest receipts. This means that every man woman and child in this state is going to be affected.

We have to protect our environment and maintain the livelihood of our people. Remember that we have a multiple-use concept that governs forest management. I emphasize <u>multiple-use</u> because timber production is but one of the many legitimate and necessary forest values, just as water quality, wildlife, recreation, and scenic values are.

Oregonians have always led the way in providing solid stewardship of public resources, blending human needs—people needs—with a compatibility to our environment. And I believe we will continue to take that lead and demonstrate it through this very serious problem.

P06

Hatfield, page 2 of 2

Oregonians have never been afraid to blaze new trails and we are not going to shy away from this one. But now the difficult work begins. I am not going to take the easy way out by adopting an extreme position on either side of this issue. I believe most Oregonians want balance. They want the jobs required to keep bread and butter on the tables of our families. They want quality education. They want our county roads to be top quality, and they want all of the other benefits that come out of forest receipts. But, Oregonians also want to maintain a high quality environment.

Finding that balance is going to be difficult, but we are going to do it because we must do it for Oregon's future. I ask all Oregonians to work with us to solve this problem.

Page 40 of 74

MEMORANDUM

TO: JOHN DIAMANTAKIOU

REPUBLICAN LEADER'S OFFICE

FROM: JIM FITZHENRY

SENATOR HATFIELD

DATE: AUGUST 10, 1990

RE: BACKGROUND INFORMATION ON THE SPOTTED OWL

Attached is some information relating to the spotted owl. In order of presentation, you will find the following:

- 1) Senator Hatfield's computer letter discussing his views generally about the spotted owl/old growth timber issue;
- 2) Summary of the White House Spotted Owl Plan in response to the decision to list the spotted owl as an endangered species;
- 3) Answers to 10 common questions about owls and the endangered species act;
- 4) Summary of Senator Hatfield's National Forest Plan Implementation Act of 1990 (S.2762); and
- 5) Answers to some common questions about forest management.

The computer letter should give you a good idea of Senator Hatfield's position on the spotted owl issue; summed up in one word, that position would be "balance."

If you have any questions, or need additional information, you might want to call one of our natural resource experts in Portland, Mike Salsgiver. You can reach him at (503)326-3386. He'll be in the office all day on Monday.

PCD: WJ

ITEM #: 1389 ()

Old Growth Forests

TOP/SUBTOPIC (1): Forestry/Timber Management

TYPE OF DOC.: CMS CREATE DATE: JAN-09-86 UPDATE DATE: AUG-02-90

AIDE: PR

My position on the spotted owl/old growth controversy is the same today as it has been when other concerns about forest management were raised. Simply put, I believe in the wise stewardship of all our resources for the good of all our people. On balance, this goal has been and continues to be accomplished. I will never tolerate the mismanagement of our resources. To do so would, in the long run, guarantee a lower standard of living for us all. At the same time, I will never sanction the destruction of our State's economy simply to satisfy the selfish, factually insupportable, single-resource impulses of a loud minority.

We cannot allow misguided efforts to address these problems -however sincere or well-intentioned -- to lead to actions which devastate entire regional economies. The fact is that the preservation of all remaining old growth will destroy entire rural communities within months. Study after study has supported this conclusion, and I do not believe such an action is economically or biologically defensible.

In fact, the Congress has preserved vast amounts of old growth forests (nearly 3 million acres) through wilderness, scenic areas, recreation areas, and wild and scenic rivers. We continue to fund research so that we may understand old growth forests more thoroughly, and the facts show that certain ecological values existing in these forest stands may warrant the protection of other stands. In doing so, we should direct our management strategies at more than just the spotted owl. While owl habitat needs must be addressed because the spotted owl is now a federally listed threatened species, we must also manage these ecologically significant lands so that other values are retained as well. These values include recreation, scenic values, water quality, wildlife, and riparian zones. In short, we must practice true integrated, multiple-use management.

In addition to this, we in government must remember the human dimension to the problem. There are over 77,000 Oregonians employed in the forest products industry, and another 144,000 Oregonians indirectly owe their livelihoods to the health of that industry. Nearly \$2 billion in receipts come from federal timber management programs. Over \$3 billion in income is derived from this industry. And for most, beyond the dry numbers, their work in our forests is a labor of love, a way of life that binds Oregon's pioneering past to its future.

I believe that, working together, Oregonians can and will resolve this dilemma through a process which is technically, biologically, legally, and publicly defensible. And I believe the Bush Administration and the Congress will develop a management approach which retains the multiple use principles which make our forests so productive in so many ways to this day.

Your concerns have not fallen on deaf ears. You have my assurance that I will continue to dedicate my efforts to addressing this problem comprehensively and fairly so that we can develop a lasting and balanced solution which all reasonable Oregonians can support. I hope I can continue to count on your input as we continue our efforts to resolve this problem.

SUMMARY OF WHITE HOUSE SPOTTED OWL PLAN

August 10, 1990

1. Effective Date of the Spotted Owl Listing

The listing will become effective on July 23, 1990.

2. The BLM Management Direction

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The Secretaries of the Interior and Agriculture will form an interagency task force to work in close consultation with Congress and the Governors of the affected states to formulate a Forest Service management direction for FY 1991. The Secretaries will direct the task force to ensure the protection of jobs and community stability while affording appropriate protection to the northern spotted owl. The task force will consider all available economic, social, and biological evidence in developing its plan.

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- (a) adopting the BLM forest management plan;
- (b) adopting the interim Forest Service management plan developed by the interagency task force; and
- (c) expanding the mandate of the Endangered Species Committee to allow it to develop a long-term forest management plan.

7. State Log Export Ban

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10 COMMONLY ASKED QUESTIONS ABOUT OWLS AND THE ENDANGERED SPECIES ACT

August 10, 1990

SOURCE: Congressional Research Service

1. Can economic factors be considered under the Endangered Species Act (ESA)?

Under the 1982 amendments to the ESA, Congress made it very clear that the initial decision to list must be made <u>"solely"</u> on the basis of scientific factors.

The goal was to make the initial decision purely one of determining whether a species needed the assistance of the law. Only after the listing decision is made are economic factors considered. In effect, the law asks two questions (in this order):

- Is this species in trouble?
- 2. If the answer to (1) is "yes" and the species is listed, are there alternatives to harming the species, and do the costs of saving it exceed the benefits?
- 2. The U.S. Fish and Wildlife Service (USFWS) has listed the spotted owl as a threatened species throughout its range. Was USFWS restricted to accepting that description of the owl's condition, or did it have other choices?

Under the ESA, species can be listed separately. Since most biologists agree there are five populations of northern spotted owls, it is possible USFWS could have decided to list some, all, or none, of them as threatened.

For example, USFWS might have decided to list the Olympic and Oregon Coast populations as endangered (because they are relatively isolated from the animals in the interior), the Washington and Oregon Cascade population as threatened, and the Klamath population as not listed.

3. After a species is listed, when can economic factors be considered?

Economic factors may be considered in either of two stages: in the designation of critical habitat for the listed species, or in an application for an exemption from the ESA's "taking" provisions.

As a practical matter, USFWS and the National Marine Fisheries Service have often failed to designate critical habitat for many species because the process is very costly,

subject to considerable dispute, and is not the section of the law that offers the greatest protection to the listed species.

4. Who is eligible to apply for an exemption?

A federal agency, the Governor(s) of an affected State(s), and a "permit or license applicant." The law is unclear about who qualifies as a permit or license applicant.

5. Is a timber company, for these purposes, considered a permit or license applicant if it wants to buy some timber in the future?

No, according to agency officials; yes, according to some industry spokespersons. What about a company that has already purchased a timber contract, but hasn't cut it yet? The situation here is murky.

Federal agency representatives assert that current contract holders are not eligible, either. But industry observers strongly disagree.

6. The law states that the Endangered Species Committee ("God Squad") can require mitigation as a condition of granting an exemption. Who pays for that?

The applicant is responsible for carrying out and paying for any required mitigation actions. The applicant may contract with a Federal agency to do the mitigation, but the applicant remains legally and financially responsible. If the applicant promises to carry out mitigation and does not do so, they are open to the civil and criminal penalties specified in the law.

There has never been a case in which a Governor has applied for an exemption under the ESA. Whether the Governor would pay for the exemption by raising general taxes, putting fees on beneficiaries of the exemption, or diverting current spending from other programs is unclear. The ESA is silent on how the Governor should pay, but only specifies that the Governor (when an application is made) must pay.

7. How stringent can the mitigation requirements be?

The Endangered Species Committee may require any reasonable mitigation measures that are "necessary and appropriate." In theory, these measures might include those described in agency management plans, the Report of the Interagency Scientific Committee (the Thomas Report), or any other available options.

8. In the spotted owl situation, what would the exemption application actually be for? A particular timber sale? An agency's entire timber sale program? Or something in between?

5.45

While there doesn't appear to be any legal barrier to using the exemption process on a sale-by-sale basis, as a practical matter this would probably not be attempted. The agency action could be an entire timber sale program.

The need to show economic and biological factors may determine the type of exemption sought. It might, for example, be impossible to meet the test of a national or regional impact in a single sale. The applicant has the burden of proof in showing that other alternatives (no harvesting; modified harvest; etc.) have been considered, and for one reason or another were not reasonable or prudent.

9. Could an exemption be at an intermediate level, say the timber program in a National Forest, a BLM district, or even in one of the five recognized populations of northern spotted owls?

Nothing like that has ever been attempted, but it may be possible. Note that the exemption would be for the specific program or activity as described in the application.

If, for example, the Forest Service applied for an exemption for its timber sales on the Siuslaw National Forest, and actually obtained it, the granting of the exemption would not mean that a new low-head hydroelectric project, a nearby housing development, or a new interstate highway in the same area would be exempt from ESA protection of the owl. In fact, such projects might be subject to even closer scrutiny as a result of the exemption.

10. If an exemption were granted under ESA, would the applicant be insulated from all other laws which might protect the owls?

Not necessarily. For example, the Migratory Bird Treaty Act (MBTA) protects nearly all bird species in North America, including owls. Depending on the particular activity, it is conceivable that an applicant who had received an exemption could carry out the activity but then face charges of violating the MBTA.

The ESA contains a provision which forbids the granting of an exemption in the first place if the Secretary of State certifies that the activity as proposed would violate an international treaty. Other laws, such as the National Forest Management Act (NFMA) or the National Environmental Policy Act (NEPA) might also still apply. The relationship between the ESA and other substantive laws is not clear.

SUMMARY

S. 2762 NATIONAL FOREST PLAN IMPLEMENTATION ACT OF 1990

The purpose of the bill is to amend the National Forest Management Act of 1976 (NFMA) to complete forest planning; establish plan implementation procedures; and establish a clarified process for revising and amending plans.

TITLE I. STANDARDS FOR AMENDING AND REVISING FOREST PLANS.

Title I establishes standards for amending and revising forest plans to promote better planning results and to avoid interruptions in forest plan implementation during amendments and revisions.

- a. Requires analysis of social and economic effects of plans.
- b. Assures that, to the maximum extent possible, plans will not destabilize a community's economic base.
- c. Requires plans to be consistent with regional guidance to avoid de facto changes in plans which have the effect of avoiding public involvement.
- d. Where court action causes a change in a plan, requires the change to be made through the plan amendment process.
- e. Requires plan amendment or revision if species listed as threatened or endangered (avoids ad hoc policy changes).
- f. Requires "new information" to be submitted to agency through petition for plan amendment or revision.
- g. Where plan amendment process begun due to "new information", administrative designation, or judicial action, requires evaluation of potential land allocation changes to maintain overall plan balance.
- h. Requires agency to analyze full cost, expressed as user fees or cost-per-beneficiary, of each noncommodity output.
- Require notice and hearing for establishment of regional guidance and minimum management requirements (MMRs).
- Establishes an MMR for timber management.

- k. Requires the Secretary to certify that decisions to implement plans won't preclude achievement of plan outputs.
- 1. Requires the Secretary to monitor forest management and plan outputs to avoid de facto changes in plans through inconsistent implementing actions.
- m. Requires phase-in of commodity output reductions.

TITLE II. CLARIFICATION OF PLAN STATUS PENDING AMENDMENTS OR REVISION

Title II assures the ability of a forest to continue management activities under a NEPA-qualified forest plan in the event of an injunction.

a. In the event implementation of a forest plan is enjoined, provides that its predecessor plan remains in effect until the enjoined plan is released from injunction and implemented.

TITLE III. IMPLEMENTATION OF FINAL PLANS

Title III attempts to ensure final plan implementation by expediting administrative and judicial review procedures.

- a. Limits standing to challenge plans, regional guidance, and MMRs through administrative appeals and judicial actions to parties that participated in the development of that decision.
- b. Prohibits extension of administrative stays beyond the period for decision provided in appeal regulations, whether or not the decision has actually been rendered.
- c. Treats appeals decisions not rendered by the regulatory deadline as a denial of the appeal.
- d. Provides direct appeal of forest plans, regional guidance, and MMRs to the Circuit Court of Appeals where the forest which is the subject of the plan is located.
- e. Challenges to plan implementing actions go to U.S. District Court where the forest which is the subject of the plan is located.

- * Plans: 90 days
 * Regional guidance/MMRs: 60 days
- * Implementing actions: 30 days
- g. Prohibits challenges solely on the basis of "new information."
- h. Limits record on review in appeals to the agency's administrative record, plus such additional written information as the court may permit.
 - Prohibits TROs and preliminary injunctions against:
 - * Plans

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- * Regional guidance
- * MMRs
- * Plan implementation

Allows for an automatic stay against any "irretrievable action" by the agency. The stay remains in place for the period permitted for a final court decision.

- Establishes timelines for judicial decisions:
 - * Plans: 180 days
 - * Regional guidance/MMRs: 120 days
 - * Implementing actions: 60 days
 - * Salvage actions pursuant to plans: 30 days
- k. Requires plan challenges to be given priority over other civil actions.
- 1. Prohibits management actions which preclude achieving decadal allowable sale quantity (ASQ).
- m. Requires Forest Service budget request to include statement of funds required to meet 100% of expected forest plan outputs.

Answers For Some Common Questions and Statements About National Forest Management

August 10, 1990

Statement: We can't criticize Brazil and other tropical nations for liquidating their rain forests when we're liquidating our remaining ancient forests.

Response: The Pacific Northwest is not Brazil. When trees are harvested on public or private lands in the United States, new trees are required by federal and state law to be replanted. There are more trees growing in the Pacific Northwest today than in the 1920's. That is because today's forester is a steward of our forest resources.

Statement: We are about to cut down the last ancient forests.

Response: Using the Pacific Northwest Regional Planning Guide definition for old growth forests (which is used as the definition for old growth in the Jontz bill), approximately 6.2 million acres of old growth remain in Oregon and Washington. Of this amount, about 40 percent (2.5 million acres) are administratively or legislatively reserved in wilderness, wild and scenic rivers, national scenic areas, and national parks and will never be harvested.

The issue we are debating is what to do with the old growth forest not already protected.

Statement: The Thomas Plan is necessary to save the spotted owl from extinction.

Response: The Thomas Committee estimates that 1,465 pairs of owls exist today on federal lands in the Pacific Northwest. Their proposal to set aside an average of 62 percent of Oregon's national forests and BLM lands -- above and beyond our national parks, wilderness, and other set-asides -- is designed to expand the number of owl pairs from 1,465 to 2,000. Studies show that there are approximately 3-4,000 pairs of spotted owls, in total, in the Pacific Northwest.

Statement: The Pacific Northwest is about to run out of harvestable timber anyway so we should stop all public timber harvesting now.

Response: It is important to remember that about half of our public forest lands are already withdrawn from harvest (unsuitable lands; scenic areas; riparian areas; wildlife

protection areas; etc.). The Timber Supply Study Update prepared by Oregon State University estimates that, at worst, we face an 8-12 percent reduction in total timber supply (public and private ownerships) for the next 20 years. After that, our overall supply will increase to levels above those of the 1970's-1980's. The real timber supply problem is not caused by too few trees. The problem will be caused because of reduced supply due to additional withdrawals of public timber from harvest.

Statement: The best answer to this crisis is retraining of timber workers and economic diversification.

Response:

All thinking people favor economic development and diversification for all communities. I have been working actively for economic diversification for Oregon since I was Governor of Oregon. Naturally, rural communities will benefit by diversification, just as the Portland Metropolitan Area benefits by not being solely dependent upon high tech, trade, and the service sector. But no economic diversification could offset the devastation that would befall our 70 public timber-dependent communities if the flow of public timber was immediately terminated. Until diversification strategies, where appropriate, are implemented, the best answer is to provide a predictable supply of timber to these communities. Retraining and diversification cannot occur overnight.

Statement: I don't like the idea of trees that date back to the Middle Ages being cut down.

Response:

No one who has stood in a real old growth forest can fail to be moved by the magnificence of God's creation. If I had the luxury of making decisions solely on the basis of my emotions, I wouldn't allow another old tree to be cut.

But I don't have the luxury of making my decisions in such a manner. Elected decisionmakers must weigh their emotions against concrete facts. The facts are these:

- * 77,400 direct jobs in the forest products industry;
- * 144,000 indirect jobs related to the direct jobs;
- * 240,000 other jobs related to the health of the industry.
- * \$128 million for Oregon's school students.
- * \$209 million for Oregon's counties.

The fact is that this is not, and cannot be allowed to remain, an "either/or", "black or white" matter.
This cannot be a choice between cutting the "last" old growth
tree or stopping all logging on our national forests and public lands. Neither alternative is acceptable or necessary; both are as phony as a three dollar bill.

We can, and we will save the spotted owl from extinction. But we will not allow over 30,000 families in Oregon and Washington lose their livelihoods.

Our goal must be to find a balance that integrates, rather than continues to divide, management on our land base. People say it is too hard or impossible to protect both our environment and our economy. I say that, for the sake of America's future, we must do both.

MEMORANDUM

August 10, 1990

TO: SENATOR DOLE FROM: JIM WHITTINGHILL SUBJECT: SPOTTED OWL, ETC.

Over the past decade, the timber harvested from National Forests in Oregon and Washington averaged around 4 billion board feet (bbf) per year. From 1980 to 1986, it was 4.5, 4.35 in 1987, 4.2 in 1988, and 4.2 was originally offered in 1989, but that was stopped by court order due to the spotted owl. Senator Hatfield eventually put a provision in the Interior Appropriations bill calling for 3.85.

Under federal law, the Forest Service regularly reviews activities within National Forests and issues a 10 year plan for each forest. These include all types of things from timber harvest to fish and wildlife concerns to campgrounds, etc. The new plan for Oregon calls for an average annual harvest of 3.4 to 3.5 bbf. This reduction has some minor spotted owl protection built in as well as reductions to reflect water quality, fisheries and other concerns.

Then, in May, an interagency scientific committee (Forest Service, BLM, Fish and Wildlife and EPA) recommended an annual harvest of 2.6 bbf (2.1 according to Senator Hatfield) to protect the spotted owl. In June, Fish and Wildlife listed the spotted owl as a threatened species (details can be found in attached material from Hatfield's staff). However, the spotted owl recovery team (led by Fish and Wildlife) said the interagency plan was appropriate to protect the species.

Finally, there is a Cabinet level team looking into the matter which expected to report sometime in September (USDA, Interior, EPA and various folks at the White House including Environmental Quality and Economic Advisor).

EACH 1 MILLION BOARD FEET REPRESENTS APPROXIMATELY 11 1/2 JOBS (NATIONALLY, HATFIELD CLAIMS THE NUMBER IS 14 IN OREGON), WITH ABOUT 4 TO 5 IN THE WOODS AND THE REMAINDER IN MILLS.

OLD GROWTH

The true definition for old growth is 300 - 500 years old. Some stands in Oregon are as old as 700 - 800 years old. Almost all of the true old growth in Oregon (6 million acres) is either in wilderness areas (no timber harvest allowed) or in prime

spotted owl country. Some environmentalists call timber that hasn't been logged as old growth. But the old growth is really timber that has escaped not only logging, but fire, pests, wind, etc.

The forests in the Pacific Northwest are managed under a 100 year rotation. Logging began to boom in the early 1950s, after World War II, so those areas will not be ready to harvest again for another 60 years.

LOG EXPORTS

You will recall Senator Packwood put a log export ban in the Trade Bill. It has been illegal to export raw logs from National Forests for quite some time. The Packwood provision extends that prohibition to logs from state forests, if the state wishes to impose the restriction. This has the effect of saving the mill jobs which would be lost due to the decreased harvest in the National Forests.

MEMORANDUM

TO: JOHN DIAMANTAKIOU

REPUBLICAN LEADER'S OFFICE

FROM: JIM FITZHENRY

SENATOR HATFIELD

DATE: AUGUST 10, 1990

RE: BACKGROUND INFORMATION ON THE SPOTTED OWL

Attached is some information relating to the spotted owl. In order of presentation, you will find the following:

1) Senator Hatfield's computer letter discussing his views generally about the spotted owl/old growth timber issue;

- 2) Summary of the White House Spotted Owl Plan in response to the decision to list the spotted owl as an endangered species;
- 3) Answers to 10 common questions about owls and the endangered species act;
- 4) Summary of Senator Hatfield's National Forest Plan Implementation Act of 1990 (S.2762); and
- 5) Answers to some common questions about forest management.

The computer letter should give you a good idea of Senator Hatfield's position on the spotted owl issue; summed up in one word, that position would be "balance."

If you have any questions, or need additional information, you might want to call one of our natural resource experts in Portland, Mike Salsgiver. You can reach him at (503)326-3386. He'll be in the office all day on Monday.

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ITEM #: 1389 ()
Old Growth Forests

TOP/SUBTOPIC (1): Forestry/Timber Management

TYPE OF DOC.: CMS

CREATE DATE: JAN-09-86
UPDATE DATE: AUG-02-90

AIDE: PR PCD: WJ

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9. Could an exemption be at an intermediate level, say the timber program in a National Forest, a BLM district, or even in one of the five recognized populations of northern spotted owls?

Nothing like that has ever been attempted, but it may be possible. Note that the exemption would be for the specific program or activity as described in the application.

If, for example, the Forest Service applied for an exemption for its timber sales on the Siuslaw National Forest, and actually obtained it, the granting of the exemption would not mean that a new low-head hydroelectric project, a nearby housing development, or a new interstate highway in the same area would be exempt from ESA protection of the owl. In fact, such projects might be subject to even closer scrutiny as a result of the exemption.

10. If an exemption were granted under ESA, would the applicant be insulated from all other laws which might protect the owls?

Not necessarily. For example, the Migratory Bird Treaty Act (MBTA) protects nearly all bird species in North America, including owls. Depending on the particular activity, it is conceivable that an applicant who had received an exemption could carry out the activity but then face charges of violating the MBTA.

The ESA contains a provision which forbids the granting of an exemption in the first place if the Secretary of State certifies that the activity as proposed would violate an international treaty. Other laws, such as the National Forest Management Act (NFMA) or the National Environmental Policy Act (NEPA) might also still apply. The relationship between the ESA and other substantive laws is not clear.

SUMMARY

S. 2762 NATIONAL FOREST PLAN IMPLEMENTATION ACT OF 1990

The purpose of the bill is to amend the National Forest Management Act of 1976 (NFMA) to complete forest planning; establish plan implementation procedures; and establish a clarified process for revising and amending plans.

TITLE I. STANDARDS FOR AMENDING AND REVISING FOREST PLANS.

Title I establishes standards for amending and revising forest plans to promote better planning results and to avoid interruptions in forest plan implementation during amendments and revisions.

- a. Requires analysis of social and economic effects of plans.
- b. Assures that, to the maximum extent possible, plans will not destabilize a community's economic base.
- c. Requires plans to be consistent with regional guidance to avoid de facto changes in plans which have the effect of avoiding public involvement.
- d. Where court action causes a change in a plan, requires the change to be made through the plan amendment process.
- e. Requires plan amendment or revision if species listed as threatened or endangered (avoids ad hoc policy changes).
- f. Requires "new information" to be submitted to agency through petition for plan amendment or revision.
- g. Where plan amendment process begun due to "new information", administrative designation, or judicial action, requires evaluation of potential land allocation changes to maintain overall plan balance.
- h. Requires agency to analyze full cost, expressed as user fees or cost-per-beneficiary, of each noncommodity output.
- Require notice and hearing for establishment of regional guidance and minimum management requirements (MMRs).
- j. Establishes an MMR for timber management.

- k. Requires the Secretary to certify that decisions to implement plans won't preclude achievement of plan outputs.
- 1. Requires the Secretary to monitor forest management and plan outputs to avoid de facto changes in plans through inconsistent implementing actions.
- m. Requires phase-in of commodity output reductions.

TITLE II. CLARIFICATION OF PLAN STATUS PENDING AMENDMENTS OR REVISION

Title II assures the ability of a forest to continue management activities under a NEPA-qualified forest plan in the event of an injunction.

a. In the event implementation of a forest plan is enjoined, provides that its predecessor plan remains in effect until the enjoined plan is released from injunction and implemented.

TITLE III. IMPLEMENTATION OF FINAL PLANS

Title III attempts to ensure final plan implementation by expediting administrative and judicial review procedures.

- a. Limits standing to challenge plans, regional guidance, and MMRs through administrative appeals and judicial actions to parties that participated in the development of that decision.
- b. Prohibits extension of administrative stays beyond the period for decision provided in appeal regulations, whether or not the decision has actually been rendered.
- c. Treats appeals decisions not rendered by the regulatory deadline as a denial of the appeal.
- d. Provides direct appeal of forest plans, regional guidance, and MMRs to the Circuit Court of Appeals where the forest which is the subject of the plan is located.
- e. Challenges to plan implementing actions go to U.S.

 District Court where the forest which is the subject of the plan is located.

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- f. Establishes appeal submission deadlines:
 - * Plans: 90 days

 * Regional guidance/MMRs: 60 days

 * Implementing actions: 30 days
- g. Prohibits challenges solely on the basis of "new information."
- h. Limits record on review in appeals to the agency's administrative record, plus such additional written information as the court may permit.
 - i. Prohibits TROs and preliminary injunctions against:
 - * Plans
 - * Regional guidance
 - * MMRs
 - * Plan implementation

Allows for an automatic stay against any "irretrievable action" by the agency. The stay remains in place for the period permitted for a final court decision.

- Establishes timelines for judicial decisions:
 - * Plans: 180 days
 * Regional guidance/MMRs: 120 days
 - * Implementing actions: 60 days
 - * Salvage actions pursuant to plans: 30 days
- k. Requires plan challenges to be given priority over other civil actions.
- Prohibits management actions which preclude achieving decadal allowable sale quantity (ASQ).
- m. Requires Forest Service budget request to include statement of funds required to meet 100% of expected forest plan outputs.

Answers For Some Common Questions and Statements About National Forest Management

August 10, 1990

Statement: We can't criticize Brazil and other tropical nations for liquidating their rain forests when we're liquidating our remaining ancient forests.

Response: The Pacific Northwest is not Brazil. When trees are harvested on public or private lands in the United States, new trees are required by federal and state law to be replanted. There are more trees growing in the Pacific Northwest today than in the 1920's. That is because today's forester is a steward of our forest resources.

Statement: We are about to cut down the last ancient forests.

Response: Using the Pacific Northwest Regional Planning Guide definition for old growth forests (which is used as the definition for old growth in the Jontz bill), approximately 6.2 million acres of old growth remain in Oregon and Washington. Of this amount, about 40 percent (2.5 million acres) are administratively or legislatively reserved in wilderness, wild and scenic rivers, national scenic areas, and national parks and will never be harvested.

The issue we are debating is what to do with the old growth forest not already protected.

Statement: The Thomas Plan is necessary to save the spotted owl from extinction.

Response: The Thomas Committee estimates that 1,465 pairs of owls exist today on federal lands in the Pacific Northwest. Their proposal to set aside an average of 62 percent of Oregon's national forests and BLM lands -- above and beyond our national parks, wilderness, and other set-asides -- is designed to expand the number of owl pairs from 1,465 to 2,000. Studies show that there are approximately 3-4,000 pairs of spotted owls, in total, in the Pacific Northwest.

Statement: The Pacific Northwest is about to run out of harvestable timber anyway so we should stop all public timber harvesting now.

Response: It is important to remember that about half of our public forest lands are already withdrawn from harvest (unsuitable lands; scenic areas; riparian areas; wildlife

protection areas; etc.). The Timber Supply Study Update prepared by Oregon State University estimates that, at worst, we face an 8-12 percent reduction in total timber supply (public and private ownerships) for the next 20 years. After that, our overall supply will increase to levels above those of the 1970's-1980's. The real timber supply problem is not caused by too few trees. The problem will be caused because of reduced supply due to additional withdrawals of public timber from harvest.

Statement: The best answer to this crisis is retraining of timber workers and economic diversification.

20. 12. 14.

Response:

All thinking people favor economic development and diversification for all communities. I have been working actively for economic diversification for Oregon since I was Governor of Oregon. Naturally, rural communities will benefit by diversification, just as the Portland Metropolitan Area benefits by not being solely dependent upon high tech, trade, and the service sector. But no economic diversification could offset the devastation that would befall our 70 public timber-dependent communities if the flow of public timber was immediately terminated. Until diversification strategies, where appropriate, are implemented, the best answer is to provide a predictable supply of timber to these communities. Retraining and diversification cannot occur overnight.

Statement: I don't like the idea of trees that date back to the Middle Ages being cut down.

Response:

No one who has stood in a real old growth forest can fail to be moved by the magnificence of God's creation. If I had the luxury of making decisions solely on the basis of my emotions, I wouldn't allow another old tree to be cut.

But I don't have the luxury of making my decisions in such a manner. Elected decisionmakers must weigh their emotions against concrete facts. The facts are these:

- * 77,400 direct jobs in the forest products industry;
- * 144,000 indirect jobs related to the direct jobs;
- * 240,000 other jobs related to the health of the industry.
- * \$128 million for Oregon's school students.
- * \$209 million for Oregon's counties.

The fact is that this is not, and cannot be allowed to remain, an "either/or", "black or white" matter. This cannot be a choice between cutting the "last" old growth tree or stopping all logging on our national forests and public lands. Neither alternative is acceptable or necessary; both are as phony as a three dollar bill.

We can, and <u>we will</u> save the spotted owl from extinction. But we will not allow over 30,000 families in Oregon and Washington lose their livelihoods.

Our goal must be to find a balance that integrates, rather than continues to divide, management on our land base. People say it is too hard or impossible to protect both our environment and our economy. I say that, for the sake of America's future, we <u>must</u> do both.

REPUBLICANS WHO GENERALLY DO NOT VOTE WITH THE ADMINISTRATION

For this group, it would probably be best not to raise defense issues:

SOUTH DAKOTA -- PRESSLER

* Not much to say on defense. On most key votes, Pressler voted against the Administration. However, he did vote against the Bingaman-Shelby amendment on SDI and of course, voted to condemn Iraq.

OREGON -- HATFIELD

* This year, as is usual, Senator Hatfield voted against final passage of the FY 90 defense authorization bill. He also voted against SDI, B-2 and in favor of unilateral troop cuts.

OREGON AGRICULTURE UPDATE

CROP MOISTURE (SHORT TERM CONDITIONS)

-- MOST OF STATE IS "EXTREMELY" TO "SEVERELY" DRY.

DROUGHT SEVERITY (LONG TERM INDEX)

-- EASTERN 2/3 IS UNDER "EXTREME" DROUGHT CONDITIONS, WESTERN 1/3 IS "SEVERE" TO "MODERATE".

CROP PROGRESS

-- WINTER WHEAT HARVEST IS 66% COMPLETE, WHICH IS RIGHT ON SCHEDULE FOR OREGON.

August 9, 1990

TO:

SENATOR DOLE

FROM:

CAROLYN SEELY

SUBJECT:

LOG EXPORT RESTRICTIONS IN TRADE BILL

The recently-passed trade bill contains the provisions negotiated by Senator Packwood, banning the export of unprocessed logs from federal and state lands. Alaska is exempt from the federal ban; Washington has a special rule banning only export of 75% of state logs.

This legislation is extremely popular with both environmental groups (because of its conservation effects) and the domestic industry which has exclusive rights to process these logs. I have included talking points for Montana, Idaho and Oregon.

LOG EXPORTS (MONTANA, IDAHO, OREGON)

- O BECAUSE OF THE STRONG LEADERSHIP OF SENATOR PACKWOOD, THE MISCELLANEOUS CUSTOMS AND TARIFF BILL WHICH HAS NOW PASSED THE CONGRESS CONTAINS A PROHIBITION ON THE EXPORT OF UNPROCESSED LOGS FROM BOTH FEDERAL AND STATE LANDS.
- O THIS LEGISLATION PROMOTES THE CONSERVATION OF OUR FOREST RESOURCES BY ADDING STRICT ANTI-SUBSTITUTION REQUIREMENTS WHICH PREVENT THE EXPORT OF UNPROCESSED PRIVATE LOGS IF FEDERAL LOGS ARE ACQUIRED FOR DOMESTIC USE IN THE SAME GEOGRAPHIC AREA.
- O IN ADDITION, FOR THE FIRST TIME, LOGS FROM STATE LANDS ARE INCLUDED UNDER THIS BAN (WITH THE EXCEPTION OF WASHINGTON STATE WHICH IS PROHIBITED FROM EXPORTING 75% OF ITS LOGS).
- O FINALLY, THE LEGISLATION GIVES THE PRESIDENT THE AUTHORITY TO MODIFY THE STATE LAND RESTRICTIONS TO MEET CHANGING ECONOMIC CONDITIONS OR INTERNATIONAL TREATY OBLIGATIONS SO THAT ALL COMPETING INTERESTS ARE RESPECTED.