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Letters to Lyons and Governor Sullivan

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OFFICE ON ENVIRONMENTAL POLICY

TO:

Jim Lyons / Margaret

FROM:

David Cottonham / Trey

DATE:

8-12

FAX:

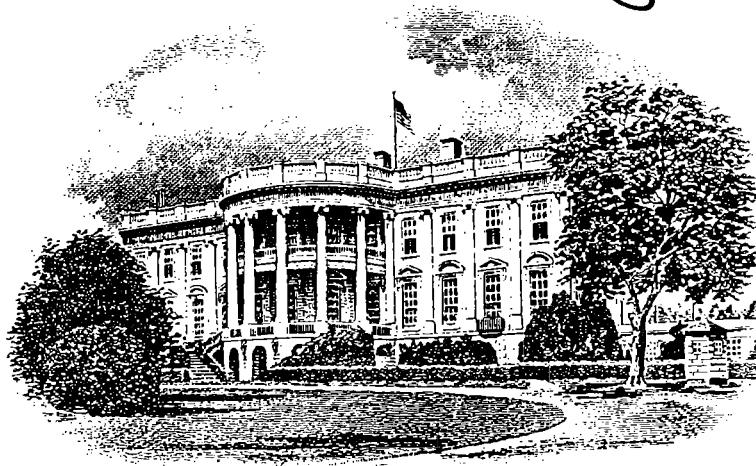
720-4732

Number of pages including cover: 6

COMMENTS:

Margaret - per our discussion
today, we would like for Jim to
respond on behalf of the President.
Thanks for your help.

Trey



PHONE - (202) 456-6224 FAX - (202) 456-2710
ROOM 360 OLD EXECUTIVE OFFICE BUILDING
WASHINGTON, DC 20501



STATE OF WYOMING
OFFICE OF THE GOVERNOR
CHEYENNE 82002

MIKE SULLIVAN
GOVERNOR

July 21, 1993

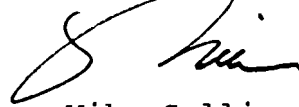
The President
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear Mr. President:

I have written the enclosed letters to officials of the United States Forest Service because of concerns that I have about the current approach to "below cost" timber sales. The correspondence is self-explanatory, but I want to take this opportunity to tell you that the concerns that prompted me to write these letters are real and deeply felt. I know that we can come up with better ideas than those I have seen to address this issue. I hope that you agree with me that, given time to work on this issue together, we can avoid some disastrous consequences that would result from hasty and unilateral action.

With best regards, I am

Very truly yours,

A handwritten signature in dark ink, appearing to read "Mike Sullivan".

Mike Sullivan

MS/rms

Enclosures



STATE OF WYOMING
OFFICE OF THE GOVERNOR
CHEYENNE 82002

MIKE SULLIVAN
GOVERNOR

July 21, 1993

Mr. F. Dale Robertson
Chief (5430) Forest Service
U.S. Department of Agriculture
P.O. Box 96090
Washington, DC 20090-6090

Dear ~~Mr.~~ ^{Doc} Robertson:

The issue of "below cost" timber sales is one of the thornier components of a public lands policy that the Administration will address and one that deserves to be analyzed in much more depth than what appears to be the case. While every taxpayer is justified to demand economy and accountability in these difficult times, the Administration's initiative to eliminate "below cost" timber sales on National Forest lands will have unintended but severe economic consequences.

I was recently in the small Wyoming community of Frannie to dedicate a new business enterprise that will bring in thirteen new jobs. That is welcome news and a significant economic boost for an area of the state that is hungry for both. While in northern Wyoming, I also met with representatives of a sawmill that is dependent on timber from the Shoshone National Forest for raw product. This mill, which has been in business since 1948 and currently employs 60 people with a payroll of over \$ 1 million, will be forced to close its doors if the timber program on the Shoshone is eliminated by the "below cost" initiative. That eventuality would simply not be acceptable for the State of Wyoming. Five new businesses of the size that I recently dedicated would have to open in order to offset the loss of employment should the mill shut down, and that is not a likely prospect.

I have had it explained to me that the accounting system used to evaluate timber sales front end loads the sales with costs that are carried out over time. Costs of roads that ultimately are used as components of the recreation program are charged solely to the timber program. Additionally, benefits that result from timber management other than commercial timbering, such as wildlife habitat improvements, water management and recreational access do not appear on the benefits side of the ledger when accounting for timber sales is done. The end product is poor public understanding of the concept of "below cost" sales and an accounting system that is skewed against commercial timber production, a valid multiple use of National Forest lands.

Mr. F. Dale Robertson
July 21, 1993
Page Two

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I will make the same arguments here that I have done previously with regard to the current discussion over grazing fees. Federal efforts to reduce the deficit and bring fiscal sanity to government at the federal level are certainly good in and of themselves. However, these decisions cannot be made in a vacuum and their results cannot be considered in isolation. Decisions made in Washington will have real effects on real people and communities in the West, and those effects must be very carefully considered. The essential nature of the rural West, its character and its cultural identity, can be irreparably harmed by decisions that focus on the short-term bottom line. To neglect this reality in favor of the imperatives of the moment is to risk inadvertent social engineering.

I would, therefore, strongly urge you to examine very closely the consequences, both intended and unintended, of a policy that would eliminate timber sales on National Forests that do not meet a questionable test of above or below "cost." This is not an argument based solely on economics, for none of us would advocate sales that are not environmentally sound and representative of good forest management. Good management of our shared resources is the ultimate goal and my experience teaches me that, once this goal is met, good economics naturally follow. I have seldom found the converse to hold true. The management decisions, however, should not be based on flawed views of what is or is not "below" cost, for there are many costs and benefits to be considered.

With best regards, I am

Very truly yours,



Mike Sullivan

MS/rms

cc: Wyoming Congressional Delegation



STATE OF WYOMING
OFFICE OF THE GOVERNOR
CHEYENNE 82002

MIKE SULLIVAN
GOVERNOR

July 21, 1993

Ms. Elizabeth Estill, Regional Forester
U.S. Forest Service, Region Two
11177 West Eighth Avenue
Box 25127
Lakewood, CO 80225

Dear Ms. Estill:

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Ms. Elizabeth Estill
July 21, 1993
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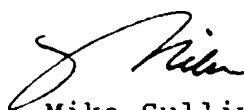
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With best regards, I am

Very truly yours,



Mike Sullivan

MS/rms
cc: Wyoming Congressional Delegation

August 11, 1993

*Cotton -
could you help
fill in the blanks -
Th T*

Dear Governor Sullivan:

Thank you for contacting me regarding your thoughts about below-cost timber sales. I appreciate your continued interest in working towards a solution of these very important issues.

As you know, I recently announced the development of the Forest Plan for a Sustainable Economy and a Sustainable Environment. I believe that the Forest Plan will provide a sustainable harvest that will allow timber sales and logging to proceed in a scientifically-sound and legally responsible manner. I am confident that the plan will go a long way toward improving forest management and toward ending the confusion and uncertainties of the past Administrations' policies.

Again, thank you for sharing your concerns with me. I look forward to working with you to ensure the success of this very important initiative.

Sincerely,

BC

*Terry
Adadio
720 5166
Jim Lyons of
fax
720
4732*

THE WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

INCOMING

DATE RECEIVED: AUGUST 03, 1993

NAME OF CORRESPONDENT: THE HONORABLE MIKE SULLIVAN

SUBJECT: CONCERNS REGARDING THE CURRENT APPROACH TO
"BELOW COST" TIMBER SALES

ROUTE TO: OFFICE/AGENCY	(STAFF NAME)	ACTION		DISPOSITION	
		ACT CODE	DATE YY/MM/DD	TYPE RESP	C COMPLETED D YY/MM/DD
REGINA MONTOYA		ORG	93/08/04		
REFERRAL NOTE: <i>Referred</i>			93-08-10		
REFERRAL NOTE: <i>Katie's McHenry</i>					
REFERRAL NOTE:					
REFERRAL NOTE:					
REFERRAL NOTE:					
REFERRAL NOTE:					

COMMENTS: ENCLOSURES ATTACHED

ADDITIONAL CORRESPONDENTS: MEDIA:L INDIVIDUAL CODES: _____

IG MAIL USER CODES: (A) _____ (B) _____ (C) _____

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*ACTION CODES:      *DISPOSITION      *OUTGOING      *
*                  *                  *CORRESPONDENCE: *
*A-APPROPRIATE ACTION *A-ANSWERED      *TYPE RESP=INITIALS *
*C-COMMENT/RECOM      *B-NON-SPEC-REFERRAL *          OF SIGNER *
*D-DRAFT RESPONSE      *C-COMPLETED      *          CODE = A *
*F-FURNISH FACT SHEET *S-SUSPENDED      *COMPLETED = DATE OF *
*I-INFO COPY/NO ACT NEC*          OUTGOING *
*R-DIRECT REPLY W/COPY *          *
*S-FOR-SIGNATURE      *          *
*X-INTERIM REPLY      *          *
*****

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REFER QUESTIONS AND ROUTING UPDATES TO CENTRAL REFERENCE
(ROOM 75, OEOB) EXT-2590
KEEP THIS WORKSHEET ATTACHED TO THE ORIGINAL INCOMING
LETTER AT ALL TIMES AND SEND COMPLETED RECORD TO RECORDS
MANAGEMENT.

SCANNED

THE WHITE HOUSE
CORRESPONDENCE TRACKING WORKSHEET

INCOMING

DATE RECEIVED: AUGUST 03, 1993

NAME OF CORRESPONDENT: THE HONORABLE ANN W. RICHARDS

SUBJECT: URGES THE PRESIDENT TO PROVIDE SUPPORT AND
LEADERSHIP TO A PROPOSAL TO CREATE AN
INTERNATIONAL AIR QUALITY MANAGEMENT DISTRICT
EMCOMPASSING THE BORDER CITIES-EL PASO/JUAREZ

		ACTION		DISPOSITION	
ROUTE TO: OFFICE/AGENCY	(STAFF NAME)	ACT CODE	DATE YY/MM/DD	TYPE RESP	C COMPLETED D YY/MM/DD
REGINA MONTOYA		ORG	93/08/04		
	REFERRAL NOTE: <i>Referred</i>		<i>93-08-10</i>		
<i>Kathie Mc</i>	REFERRAL NOTE:				
	REFERRAL NOTE:				
	REFERRAL NOTE:				
	REFERRAL NOTE:				
	REFERRAL NOTE:				

COMMENTS:

ADDITIONAL CORRESPONDENTS: MEDIA:L INDIVIDUAL CODES: _____

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*ACTION CODES:	*DISPOSITION	*OUTGOING	*
*	*	*CORRESPONDENCE:	*
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*D-DRAFT RESPONSE	*C-COMPLETED	* CODE = A	*
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*R-DIRECT REPLY W/COPY *			*
*S-FOR-SIGNATURE *			*
*X-INTERIM REPLY *			*

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SCANNED

File
IG

030828



State of Texas
Office of the Governor
Austin, Texas 78711

ANN W. RICHARDS
GOVERNOR

Dear Bill,

This formal letter
proposes the creation of
an International Air
Quality Management District.
El Paso/Juarez is the perfect
location. I am sending
Carol Browner and Thickey
Kantor a copy. This idea
will really be great for
the border — good business
and good for our communities.

Best,

Ann

Post Office Box 12428 Austin, Texas 78711 (512) 463-2000

Not Printed At State Expense



STATE OF TEXAS
OFFICE OF THE GOVERNOR
AUSTIN, TEXAS 78711

ANN W. RICHARDS
GOVERNOR

July 26 , 1993

The Honorable William Jefferson Clinton
President of the United States
The White House
Washington, D.C. 20500

Dear Mr. President:

Many cities along the border between the United States and Mexico are experiencing environmental problems caused by rapid population growth and expanded economic activity. One of the most severe problems we face is in the border cities of El Paso, Texas and Ciudad Juarez, Chihuahua, where air pollution is the worst of any United States-Mexican border community and seriously threatens public health. I see an opportunity to address this problem by using an innovative approach that would involve binational management of a shared international airshed. I urge you to provide your support and leadership to a proposal to create an International Air Quality Management District encompassing the border cities and surrounding region.

An International Air Quality Management District could promote efficient solutions to this complicated problem by establishing common air quality targets, setting emission limits that reduce pollutants to health levels, and adopting an incentive-based approach to work toward those goals in a timely and efficient manner. The District could also coordinate air pollution monitoring work, inventory sources of pollution, and develop cost-effective and equitable programs to improve air quality. In particular, the District would oversee the establishment of an international emission trading program that would encourage transboundary investment in pollution control and use economic growth to reduce pollution. Individual businesses operating in the airshed would have the flexibility to decide where and how to make the required reductions in pollution and receive valuable emission reduction credits that can be traded or banked for future use.

The ongoing negotiations regarding the environmental accord to supplement the North American Free Trade Agreement provide an excellent opportunity to create an International Air Quality Management District. Alternatively, a Memorandum of Understanding could be negotiated with Mexico, under Annex V of the 1983 La Paz Agreement. In either event, the District would be composed of representatives appointed by the respective federal, state and local governments. The purposes, duties, and powers of the District would, at a minimum, include the following:

The Honorable William Jefferson Clinton
July 26, 1993
Page 2

1. Development of air quality goals of the airshed that promote expeditious attainment of U. S. national ambient air quality standards and la Norma Mexicana de Calidad del Aire;
2. Development of guidelines for air pollution control programs that will be effective in meeting air quality goals for the airshed, including specific guidelines governing the creation and use of emission reduction credits and an international trading program;
3. Coordination of monitoring programs (ambient air quality, meteorological and emissions), including establishment of a joint data base, modeling protocols, and appropriate training programs;
4. Preparation of regular reports to inform the public about air quality conditions and trends in the airshed;
5. Establishment of mechanisms to ensure that the necessary pollution reduction and prevention programs are developed, implemented, and enforced on a binational basis; and
6. Adoption of administrative procedures to ensure adequate public participation in the District's activities, including providing a forum for citizen complaints regarding air quality related problems.

Establishing an appropriate framework for regional management will expand our options for achieving pollution reductions and lower the cost of cleaning up air pollution. It will also provide a new source of revenue for investments in environmental protection and infrastructure improvements. For these reasons, the proposal to create an International Air Quality Management District has my full support. In addition, I can assure you that it has been favorably reviewed by federal, state, and local officials in Mexico.

With your leadership, U. S. and Mexican citizens along the border can make this innovative approach work.

Sincerely,



ANN W. RICHARDS
Governor

Ln 360



REFERRAL MESSAGE

DATE: August 10, 1993
TO: Katie McGinty
Office of Environmental Policy
FROM: Jeffrey H. Watson *JW*
Intergovernmental Affairs
DOCUMENT: Governors' Letters

Please prepare responses to the attached letters and send a copy of the replies to this office. Thanks.

1. Governor Sullivan, Wyoming, ID 030872
2. Governor Ann Richards, Texas, ID 030878

Attachments: as stated

Cotton
8-11

August 11, 1993

Dear Governor Sullivan:

Thank you for contacting me regarding your thoughts about below-cost timber sales. I appreciate your continued interest in working towards a solution of these very important issues.

As you know, I recently announced the development of the Forest Plan for a Sustainable Economy and a Sustainable Environment. I believe that the Forest Plan will provide a sustainable harvest that will allow timber sales and logging to proceed in a scientifically-sound and legally responsible manner. I am confident that the plan will go a long way toward improving forest management and toward ending the confusion and uncertainties of the past Administrations' policies.

Again, thank you for sharing your concerns with me. I look forward to working with you to ensure the success of this very important initiative.

Sincerely,

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DATE RECEIVED: AUGUST 03, 1993

NAME OF CORRESPONDENT: THE HONORABLE MIKE SULLIVAN

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OFFICE/AGENCY	(STAFF NAME)	CODE	YY/MM/DD	RESP	D YY/MM/DD
REGINA MONTOYA		ORG	93/08/04		1/1/
REFERRAL NOTE: <i>Refused</i>			93-08-10		1/1/
REFERRAL NOTE: <i>Katie McHenry</i>					1/1/
REFERRAL NOTE:					1/1/
REFERRAL NOTE:					1/1/
REFERRAL NOTE:					1/1/
REFERRAL NOTE:					1/1/

COMMENTS: ENCLOSURES ATTACHED

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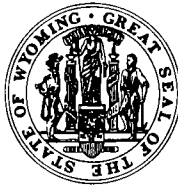
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SCANNED

R.L.
IG

030872



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U.S. Department of Agriculture
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Mr. F. Dale Robertson
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MS/rms
cc: Wyoming Congressional Delegation



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July 21, 1993
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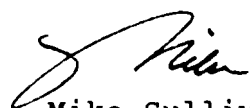
If, in an effort to satisfy public demand for elimination of "below cost" sales that result from the situation that I have just described, the Administration acts hastily, then here are some consequences that can be expected. The economic dislocation in communities with dependent sawmills is self-evident. Closing National Forests to commercial timber production will also likely result in timber companies shifting their emphases to private lands. With public timber unavailable, these private holdings risk being overcut, making them sacrifice areas to public policy. It is important to point out that the environmental contributions of privately held land are no less important than those from National Forest land. Certainly decreased availability of raw product will drive up the price of finished lumber and, ultimately, the cost of construction to homeowners.

I will make the same arguments here that I have done previously with regard to the current discussion over grazing fees. Federal efforts to reduce the deficit and bring fiscal sanity to government at the federal level are certainly good in and of themselves. However, these decisions cannot be made in a vacuum and their results cannot be considered in isolation. Decisions made in Washington will have real effects on real people and communities in the West, and those effects must be very carefully considered. The essential nature of the rural West, its character and its cultural identity, can be irreparably harmed by decisions that focus on the short-term bottom line. To neglect this reality in favor of the imperatives of the moment is to risk inadvertent social engineering.

I would, therefore, strongly urge you to examine very closely the consequences, both intended and unintended, of a policy that would eliminate timber sales on National Forests that do not meet a questionable test of above or below "cost." This is not an argument based solely on economics, for none of us would advocate sales that are not environmentally sound and representative of good forest management. Good management of our shared resources is the ultimate goal and my experience teaches me that, once this goal is met, good economics naturally follow. I have seldom found the converse to hold true. The management decisions, however, should not be based on flawed views of what is or is not "below" cost, for there are many costs and benefits to be considered.

With best regards, I am

Very truly yours,



Mike Sullivan

MS/rms
cc: Wyoming Congressional Delegation