

105TH CONGRESS  
1ST SESSION

# H. R. 2789

To save taxpayers money, reduce the deficit, cut corporate welfare, and protect and restore America's natural heritage by eliminating the fiscally wasteful and ecologically destructive commercial logging program on Federal public lands and to facilitate the economic recovery and diversification of communities dependent on the Federal logging program.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 31, 1997

Ms. MCKINNEY (for herself, Mr. LEACH, Mr. FILNER, Mr. STARK, Mr. McDERMOTT, Mr. GUTIERREZ, Mr. LEWIS of Georgia, Mr. BROWN of California, Mr. DIXON, and Mr. WAXMAN) introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committees on Resources, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To save taxpayers money, reduce the deficit, cut corporate welfare, and protect and restore America's natural heritage by eliminating the fiscally wasteful and ecologically destructive commercial logging program on Federal public lands and to facilitate the economic recovery and diversification of communities dependent on the Federal logging program.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the  
3 “National Forest Protection and Restoration Act of  
4 1997”.

5 (b) TABLE OF CONTENTS.—The table of contents of  
6 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Definitions.
- Sec. 3. Findings.
- Sec. 4. Prohibition on timber sales to protect Federal public lands.
- Sec. 5. Effect of prohibition on existing timber sale contracts.
- Sec. 6. Authorization of appropriations.
- Sec. 7. Natural heritage restoration.
- Sec. 8. Worker retraining.
- Sec. 9. Allocation of funds.

7 **SEC. 2. DEFINITIONS.**

8 For purposes of this Act:

9 (1) AGENCIES.—The term “agencies” means  
10 the Forest Service, the Bureau of Land Manage-  
11 ment, and the United States Fish and Wildlife Serv-  
12 ice.

13 (2) COMMERCIAL LOGGING.—The term “com-  
14 mercial logging” means the sale of timber, or the  
15 execution of a timber sale, regardless of the stated  
16 reasons for such sale or whether the timber is stand-  
17 ing, fallen, living, or dead.

18 (3) FEDERAL PUBLIC LANDS.—The term “Fed-  
19 eral public lands” means—

20 (A) all lands in the United States included  
21 in the National Forest System;

1 (B) all lands in the United States included  
2 in the National Wildlife Refuge System; and

3 (C) all lands under the jurisdiction of the  
4 Bureau of Land Management.

5 (4) ROADLESS AREA.—The term “roadless  
6 area” means any inventoried roadless area, an area  
7 of at least 5,000 contiguous acres which contains 0.5  
8 miles or less of improved road per 1,000 acres, or  
9 an area of less than 5,000 contiguous acres which  
10 is adjacent to a unit of the National Wilderness  
11 Preservation System or National Park System and  
12 which contains 0.5 miles or less of improved road  
13 per 1,000 acres.

14 (5) TIMBER SALES.—The term “timber sale”  
15 means the sale of timber, or the offering of timber  
16 for sale or consideration, regardless of the stated  
17 reasons for such sale, or whether the timber is  
18 standing, fallen, living, or dead. The term does not  
19 include free-use permits or paid permits under the  
20 personal use component of the Forest Service or  
21 BLM timber program.

22 **SEC. 3. FINDINGS.**

23 Congress finds the following:

24 (1) Polls conducted by the Forest Service show  
25 that a strong majority of the American people think

1 that natural resources on Federal public lands  
2 should not be made available to produce consumer  
3 goods.

4 (2) The Forest Service report on its timber sale  
5 program for fiscal year 1994 shows that recreation  
6 and tourism in the National Forest System creates  
7 over 30 times more jobs, and generates over 30  
8 times more income, than commercial logging on na-  
9 tional forests.

10 (3) According to Forest Service figures, timber  
11 cut from Federal public lands comprises less than  
12 five percent of the annual timber consumption of the  
13 United States.

14 (4) The vast majority of America's original  
15 pristine forests have been logged, and what little pri-  
16 mary forest that remains exists almost entirely on  
17 public lands.

18 (5) The ecological crisis resulting from this se-  
19 vere habitat loss and fragmentation of American for-  
20 ests requires bold action to protect this Nation's  
21 natural heritage so that pristine forests may remain  
22 pristine, and damaged forests may have an oppor-  
23 tunity to recover.

24 (6) The 1995 report of the Comptroller General  
25 regarding distribution of Forest Service timber sales

1 receipts (GAO/RCED-95-237FS) reveals that, of  
2 the hundreds of millions of dollars of taxpayer  
3 money that is annually expended on the Forest Serv-  
4 ice timber sales program, only a small fraction finds  
5 its way back to the Federal Treasury, resulting in  
6 an enormous net loss to taxpayers.

7 (7) The timber-oriented counties in Oregon,  
8 Washington, and California which currently receive  
9 a percentage of timber sales receipts from commer-  
10 cial logging are guaranteed, by existing Federal Law  
11 (section 13982 and 13983 of Public Law 103-66  
12 (107 Stat. 681, 682)), to continue to receive these  
13 payments at near historic levels through the year  
14 2003, regardless of logging levels on public lands.

15 (8) Forests absorb rainfall, retard stream run-  
16 off, reduce floods, increase slope stability, and retain  
17 topsoil, and retard soil erosion and siltation in  
18 streams, irrigation ditches, and reservoirs.

19 (9) Commercial logging has many indirect costs  
20 which are very significant, but not easily measured,  
21 such as flooding damage and relief of flooding dam-  
22 age through Federal funds, damage to the salmon  
23 fishing industry; and harm to the recreation and  
24 tourism industries.

1           (10) A congressionally commissioned scientific  
2 study of the Sierra Nevada forests found that more  
3 than any other human activity, commercial logging  
4 has increased the risk and severity of fires by remov-  
5 ing the cooling shade of trees and leaving flammable  
6 debris (see Sierra Nevada Ecosystem Project Final  
7 Report to Congress, Vol. 1 Assessment Summaries  
8 and Management Strategies, 1996).

9           (11) It is in the interests of the American peo-  
10 ple to protect watersheds on Federal public lands in  
11 order to prevent potentially damaging and deadly  
12 floods.

13 **SEC. 4. PROHIBITION ON TIMBER SALES TO PROTECT FED-**  
14 **ERAL PUBLIC LANDS.**

15       (a) PROHIBITION ON NEW TIMBER SALES.—Not-  
16 withstanding any other provision of law, effective as of the  
17 date of the enactment of this Act, no timber sales shall  
18 be prepared, advertised, offered, or awarded on Federal  
19 public lands and, except as provided in section 5, no com-  
20 mercial logging shall occur on Federal public lands.

21       (b) EXCEPTIONS.—The gathering of firewood or  
22 other wood for personal, noncommercial use, through free-  
23 use permits or paid permits under the personal use compo-  
24 nent of the Forest Service's timber program or equivalent  
25 BLM or U.S. Fish and Wildlife Service program, to the

1 extent allowed under existing law, is not prohibited by sub-  
2 section (a) but must be consistent with the provisions of  
3 section 7 of this Act.

4 (c) NATIVE AMERICAN TRIBES.—Nothing contained  
5 in this Act shall be construed to modify, amend, or breach  
6 any treaty, in existence on the date of enactment of this  
7 Act, with any Native American tribe.

8 **SEC. 5. EFFECT OF PROHIBITION ON EXISTING TIMBER**  
9 **SALE CONTRACTS.**

10 (a) REMAINING SALVAGE RIDER SALES.—Notwith-  
11 standing any outstanding judicial order or administrative  
12 proceeding interpreting section 2001 of Public Law 104–  
13 19 (109 Stat. 240; 16 U.S.C. 1611 note), the Secretary  
14 of Agriculture and the Secretary of the Interior shall im-  
15 mediately suspend each timber sale or activity that was  
16 being undertaken in whole or in part under the authority  
17 provided in such section.

18 (b) ROADLESS AREAS.—Notwithstanding any other  
19 provision of law, the Secretary of Agriculture and the Sec-  
20 retary of the Interior shall immediately suspend each tim-  
21 ber sale in any roadless area on Federal public lands.

22 (c) PHASE-OUT PERIOD AUTHORIZED.—There shall  
23 be a 2-year period to phase out those timber sale contracts  
24 in existence as of the date of the enactment of this Act.  
25 The phase-out period shall begin on the date of the enact-

1 ment of this Act. Any remaining timber sales on Federal  
2 public lands shall be automatically suspended upon the ex-  
3 piration of the phase-out period. Notwithstanding any  
4 other provision of law, no commercial logging shall occur  
5 anywhere on Federal public lands after the end of the  
6 phase-out period.

7 (d) EARLY TERMINATION.—For all timber sales sus-  
8 pended under subsection (a), subsection (b), and sub-  
9 section (c) of this subsection, the Secretary concerned  
10 shall—

11 (1) exercise any provision of the original con-  
12 tract that authorizes termination and payment of  
13 specified damages; or

14 (2) terminate the contract to avoid adverse ef-  
15 fects on the environment or natural resources.

16 (e) PAYMENT FOR TIMBER SALE CONTRACTS RELIN-  
17 QUISHED.—Any claim, whether as a result of a judgment  
18 or an agreement against the Federal Government, arising  
19 from termination of any timber sale contract under sub-  
20 section (d) of this subsection, may be—

21 (1) paid from funds made available under sec-  
22 tion 1304 of title 31, United States Code, and shall  
23 not require reimbursement under section 13(c) of  
24 the Contract Disputes Act of 1978 (41 U.S.C.  
25 612(c));

1           (2) offset by forgiveness of a Federal Govern-  
2           ment loan or loan guarantee;

3           (3) paid through funds appropriated for the  
4           purpose; or

5           (4) paid through the transfer of funds from any  
6           of the following Forest Service or Bureau of Land  
7           Management timber accounts:

8                   (A) Timber sales management.

9                   (B) Forest land vegetation management.

10                  (C) Forest roads program.

11                  (D) General administration related to com-  
12           mercial logging.

13           (f) DISPUTES.—Any claim by a purchaser against the  
14           Federal Government relating to a contract terminated  
15           under this section shall be subject to the Contract Dis-  
16           putes Act of 1978 (41 U.S.C. 601 et seq.).

17   **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

18           (a) CALCULATION OF LOGGING SUBSIDY.—The Sec-  
19           retary of Agriculture, in consultation with the Secretary  
20           of the Interior, shall determine the average amount of  
21           Federal funds appropriated annually from the General  
22           Fund of the Treasury over the last five years for commer-  
23           cial logging and commercial logging-related activities on  
24           Federal public lands. In making this determination, the

1 Secretary shall include amounts expended for the follow-  
2 ing, using estimates, where necessary:

3 (1) Timber sales management.

4 (2) Forest-land vegetation management.

5 (3) Land management planning, inventory, and  
6 monitoring related to commercial logging.

7 (4) Research related to commercial logging.

8 (5) The portion of the forest roads and road  
9 maintenance program related to commercial logging.

10 (6) General administration expenses related to  
11 commercial logging.

12 (7) Landline location related to commercial log-  
13 ging.

14 (8) Law enforcement related to commercial log-  
15 ging.

16 (9) The portion of the forest fire fighting and  
17 prevention program related to commercial logging.

18 (10) The portion of any other activities related  
19 to commercial logging.

20 (b) AUTHORIZATION.—There are authorized to be ap-  
21 propriated such sums as may be necessary to carry out  
22 the provisions of this Act in the years subsequent to its  
23 passage, but not to exceed one-third of the logging subsidy  
24 amount calculated in subsection (a) of this section.

1       (c) ADMINISTRATIVE EXPENSES.—Not more than  
2 ten percent of the funds appropriated or allocated to carry  
3 out sections 7 and 8 be reserved for the administration  
4 of activities authorized under those sections.

5 **SEC. 7. NATURAL HERITAGE RESTORATION.**

6       (a) NATURAL HERITAGE RESTORATION CORPS.—  
7 The Secretary of the Interior and the Secretary of Agri-  
8 culture shall each establish a special unit (to be known  
9 as the Natural Heritage Restoration Corps) for the pur-  
10 poses of conducting, in areas of Federal public lands  
11 where commercial logging has occurred, the following ac-  
12 tivities:

13           (1) Restore native vegetative cover.

14           (2) Conduct prescribed burning where necessary  
15 to reduce fire risk caused by commercial logging.

16           (3) Stabilize slopes and soils so as to prevent or  
17 reduce further erosion.

18           (4) Recontour slopes to their original contours,  
19 where deemed appropriate and beneficial.

20           (5) Decommission and obliterate logging roads  
21 in order to recover roadless characteristics.

22           (6) Remove man-made barriers to natural fish  
23 spawning runs.

1           (7) Generally restore, as much as possible, such  
2           areas to their natural condition as existed prior to  
3           the occurrence of commercial logging.

4           (b) PERSONNEL AND EQUIPMENT.—The Natural  
5           Heritage Restoration Corps shall hire the necessary per-  
6           sonnel, which may include private contractors, and pur-  
7           chase or lease the necessary equipment to implement the  
8           Natural Heritage Restoration Plans and achieve the goals  
9           and objectives as set forth by the Secretaries of Agri-  
10          culture and Interior under this section. There shall be a  
11          hiring preference for dislocated timber workers who have  
12          been terminated or laid off, or have received a notice of  
13          termination or lay off, as a consequence of the passage  
14          of this Act.

15          (c) NATURAL HERITAGE RESTORATION PLANS.—

16                (1) NATIONAL FOREST SYSTEM LANDS.—For  
17                lands in the National Forest System, the Secretary  
18                of Agriculture shall develop Natural Heritage Res-  
19                toration Plans at the regional level to carry out the  
20                activities specified in subsection (a) of this section in  
21                accordance with the standards, guidelines, and pro-  
22                cedures developed in subsection (d) of this section.  
23                Such Plans shall be completed no later than eighteen  
24                months after the date of enactment of this Act.

1           (2) BLM AND NATIONAL WILDLIFE REFUGE  
2           LANDS.—For lands under the jurisdiction of the Bu-  
3           reau of Land Management, and, as necessary for  
4           National Wildlife Refuges, the Secretary of the Inte-  
5           rior shall develop Natural Heritage Restoration  
6           Plans at the regional level to carry out the objectives  
7           of subsection (a) of this section in accordance with  
8           the standards, guidelines, and procedures developed  
9           in subsection (d) of this section. Such plans shall  
10          be completed no later than eighteen months after  
11          the date of enactment of this Act.

12          (d) DEVELOPING STANDARDS, GUIDELINES, AND  
13          PROCEDURES FOR RESTORATION.—

14                 (1) RESPONSIBILITIES OF THE SECRETARIES.—  
15                 The Secretary of Agriculture and Secretary of the  
16                 Interior shall develop regional standards, guidelines,  
17                 and procedures for restoration as soon as practicable  
18                 after the date of enactment of this Act, and shall  
19                 begin to incorporate these regional standards, guide-  
20                 lines, and procedures into land management plans  
21                 for Federal public lands as soon as practicable. The  
22                 Secretaries shall complete such incorporation for all  
23                 Federal public lands by no later than two years after  
24                 the date of enactment of this Act. The Secretaries  
25                 shall report to the Congress on the progress of such

1 incorporation in the annual report required by sec-  
2 tion 8(c) of the Forest and Rangeland Renewable  
3 Resources Planning Act of 1974 (16 U.S.C.  
4 1606(e)) and section 311 of the Federal Land Policy  
5 and Management Act of 1976 (43 U.S.C. 1741).

6 (2) COMMITTEE OF SCIENTISTS.—In carrying  
7 out the purposes of this subsection, the Secretary of  
8 the Interior shall appoint a committee of scientists  
9 for each of the Forest Service regions in the United  
10 States who are not officers or employees of the For-  
11 est Service or BLM. The committee shall provide  
12 scientific and technical advice and counsel on pro-  
13 posed standards, guidelines, and procedures to as-  
14 sure that an effective interdisciplinary approach is  
15 proposed and adopted for the development of Natu-  
16 ral Heritage Restoration Plans for each region. The  
17 committee shall terminate upon promulgation of the  
18 standards, guidelines, and procedures, but the Sec-  
19 retary shall, from time to time, appoint similar com-  
20 mittees when considering revisions of regional stand-  
21 ards, guidelines, and procedures. Standards, guide-  
22 lines, and procedures for developing Natural Herit-  
23 age Restoration Plans for each region shall be com-  
24 pleted no later than one year after the date of enact-  
25 ment of this Act. The views of the committees shall

1 be included in the public information supplied when  
2 the standards and guidelines are proposed for adop-  
3 tion.

4 (3) CLERICAL AND TECHNICAL ASSISTANCE.—

5 Clerical and technical assistance, as may be nec-  
6 essary to discharge the duties of the committee of  
7 scientists established under paragraph (2) of this  
8 subsection, shall be provided from the personnel of  
9 the Department of Agriculture or the Department of  
10 Interior, as appropriate.

11 (4) COMPENSATION.—While attending meetings  
12 of the committee, the members shall be entitled to  
13 receive compensation at a rate of \$200 per diem, in-  
14 cluding travel time, and while away from their  
15 homes or regular places of business they may be al-  
16 lowed travel expenses, including per diem in lieu of  
17 subsistence, as authorized by section 5703 of title 5,  
18 United States Code, for persons in the Government  
19 service employed intermittently.

20 (e) INTERIM NEEDS FOR RESTORATION.—During  
21 the interim period while regional standards, guidelines,  
22 and procedures are being developed, the Secretary of Agri-  
23 culture and Secretary of the Interior shall identify interim  
24 needs for restoration and take prompt action to begin res-  
25 toration work with available personnel, until the Natural

1 Heritage Restoration Corps is established. Interim needs  
2 for restoration shall be limited to prescribed burning and  
3 slash disposal where necessary to reduce fire risk, and sta-  
4 bilization of slopes and soils so as to prevent or reduce  
5 further erosion and land sliding in areas which have been  
6 logged.

7 (f) RESTORATION GOALS AND OBJECTIVES.—Within  
8 one year of the date of enactment of this Act, the Sec-  
9 retary of Agriculture and the Secretary of the Interior  
10 shall develop specific restoration goals and objectives for  
11 each Unit of the Federal public lands, and shall, within  
12 the same time period, develop a specific schedule to accom-  
13 plish those goals and objectives with the funds made avail-  
14 able to carry out this section, as authorized in section 6  
15 of this Act.

16 (g) PLAN TRANSITION.—Except as otherwise pro-  
17 vided in section 4 and 5, and elsewhere in this Act, any  
18 plan, policy, or guidance of the Agencies, with respect to  
19 Federal public lands, in effect on the date of enactment  
20 of this Act shall continue to apply to such lands until such  
21 plan, policy or guidance is revised, amended, or changed  
22 as provided in this section.

23 (h) PUBLIC PARTICIPATION.—This subsection shall  
24 be carried out in compliance with the National Environ-

1 mental Policy Act of 1969 and its implementing regula-  
2 tions.

3 **SEC. 8. WORKER RETRAINING.**

4 (a) **ELIGIBLE INDIVIDUAL DEFINED.**—For the pur-  
5 poses of this section, the term “eligible individual” means  
6 an individual who—

7 (1) is an eligible dislocated worker, as that term  
8 is defined in section 301(a) of the Job Training  
9 Partnership Act (29 U.S.C. 1651(a)); and

10 (2) has been terminated or laid off, or has re-  
11 ceived a notice of termination or lay off, as a con-  
12 sequence of the passage of this Act, or as a con-  
13 sequence of management decisions on Federal public  
14 lands prior to the passage of this Act.

15 (b) **DETERMINATIONS OF ELIGIBILITY.**—The deter-  
16 mination of whether an individual is an eligible individual  
17 shall be made by the Secretary of Labor, pursuant to cri-  
18 teria established by the Secretary of Labor, in consultation  
19 with the Secretaries of Agriculture and the Interior.

20 (c) **GRANTS AUTHORIZED.**—The Secretary of Labor  
21 may make grants to States, substate grantees (as defined  
22 by section 312 of the Job Training Partnership Act (29  
23 U.S.C. 1661a), employers, employer associations, and rep-  
24 resentatives of employees—

1           (1) to provide training, adjustment assistance,  
2           and employment services to eligible individuals; and

3           (2) to make needs-related payments to eligible  
4           individuals in accordance with subsection (h) of this  
5           section.

6           (d) PRIORITY AND APPROVAL.—

7           (1) PRIORITY.—In reviewing applications for  
8           grants under subsection (c) of this section, the Sec-  
9           retary of Labor shall give priority to applications  
10          proposing to provide training, adjustment assistance,  
11          and services in areas which have the greatest num-  
12          ber or percentage of eligible individuals.

13          (2) NEEDS-RELATED PAYMENTS REQUIRED.—

14          The Secretary of Labor shall not approve an appli-  
15          cation for a grant under subsection (c) of this sec-  
16          tion unless the application contains assurances that  
17          the applicant will use grant funds to provide needs-  
18          related payments in accordance with subsection (h)  
19          of this section.

20          (e) USE OF FUNDS.—Subject to the requirements of  
21          subsections (f), (g), and (h) of this section, grants under  
22          subsection (c) of this section may be used for any purpose  
23          for which funds may be used under section 314 of the  
24          Job Training Partnership Act (29 U.S.C. 1661c).

25          (f) JOB SEARCH ALLOWANCE.—

1           (1) ALLOWANCE AUTHORIZED.—Grants under  
2 subsection (c) of this section for adjustment assist-  
3 ance may be used to provide job search allowances  
4 to eligible individuals. Such allowance, if granted,  
5 shall provide reimbursement to the individual of not  
6 more than 90 percent of the cost of necessary job  
7 search expenses, as prescribed by regulations of the  
8 Secretary of Labor, but may not exceed \$1,200 un-  
9 less the need for a greater amount is justified in the  
10 application and approved by the Secretary of Labor.

11           (2) CRITERIA FOR GRANTING JOB SEARCH AL-  
12 LOWANCES.—A job search allowance may be granted  
13 only—

14                   (A) to assist an eligible individual who has  
15 been totally separated in securing a job within  
16 the United States; and

17                   (B) where the Secretary of Labor deter-  
18 mines that such employee cannot reasonably be  
19 expected to secure suitable employment in the  
20 commuting area in which the worker resides.

21 (g) RELOCATION ALLOWANCE.—

22           (1) ALLOWANCE AUTHORIZED.—Grants under  
23 subsection (c) of this section for adjustment assist-  
24 ance may be used to provide relocation allowances to  
25 eligible individuals. Such an allowance may only be

1 granted to assist an eligible individual in relocating  
2 within the United States and only if the Secretary  
3 of Labor determines that such employee;

4 (A) cannot reasonably be expected to se-  
5 cure suitable employment in the commuting  
6 area in which the employee resides;

7 (B) has obtained suitable employment af-  
8 fording a reasonable expectation of long-term  
9 duration in the area in which the employee  
10 wishes to relocate, or has obtained a bona fide  
11 offer of such employment, and

12 (C) is totally separated from employment  
13 at the time relocation commences.

14 (2) AMOUNT OF RELOCATION ALLOWANCE.—

15 The amount of any relocation allowance for any eli-  
16 gible individual may not exceed the amount which is  
17 equal to the sum of—

18 (A) 90 percent of the reasonable and nec-  
19 essary expenses, specified in regulations pre-  
20 scribed by the Secretary, incurred in transport-  
21 ing an individual and the individual's family, if  
22 any, and household effects; and

23 (B) a lump sum equivalent to 3 times the  
24 employee's average weekly wage, up to a maxi-  
25 mum payment of \$1,200, unless the need for a

1 greater amount is justified in the application  
2 and approved by the Secretary of Labor.

3 (h) NEEDS-RELATED PAYMENTS.—The Secretary of  
4 Labor shall prescribe regulations with respect to the use  
5 of funds from grants under subsection (c) of this section  
6 for needs-related payments in order to enable eligible indi-  
7 viduals to complete training or education programs under  
8 this section. Such regulations shall—

9 (1) require that such payments shall be pro-  
10 vided to an eligible individual only if such individ-  
11 ual—

12 (A) does not qualify or has ceased to qual-  
13 ify for unemployment compensation;

14 (B) has been enrolled in training by the  
15 end of the 13th week of the individual's initial  
16 unemployment compensation benefit period, or,  
17 if later, the end of the 8th week after an indi-  
18 vidual is informed that a short-term layoff will  
19 in fact exceed six months; and

20 (C) is participating in training or edu-  
21 cation programs under this section, except that  
22 such regulations shall protect an individual  
23 from being disqualified pursuant to this clause  
24 for a failure to participate that is not the fault  
25 of the individual;

1           (2) provide that to qualify for such payments  
2           the individual currently receives, or is a member of  
3           a family which currently receives, a total family in-  
4           come (exclusive of unemployment compensation,  
5           child support payments, and welfare payments)  
6           which, in relation to family size, is not in excess of  
7           the lower living standard income level;

8           (3) provide that the levels of such payments  
9           shall be equal to the higher of—

10                   (A) the applicable level of unemployment  
11                   compensation; or

12                   (B) the poverty level determined in accord-  
13                   ance with criteria established by the Director of  
14                   the Office of Management and Budget;

15           (4) provide for the adjustment of payments to  
16           reflect changes in total family income; and

17           (5) provide that the grantee shall obtain infor-  
18           mation with respect to such income, and changes  
19           therein, from the eligible individual.

20           (i) REGULATIONS.—The Secretary of Labor shall  
21           prescribe regulations to carry out this section not later  
22           than 180 days after the date of enactment of this Act.

23   **SEC. 9. ALLOCATION OF FUNDS.**

24           (a) AVAILABILITY OF CERTAIN ACCOUNTS.—Not-  
25           withstanding any other provision of law, from the date of

1 the enactment of this Act through the duration of the two-  
2 year phase-out period provided in section 5 plus one year  
3 thereafter, all funds in each of the following Forest Service  
4 and Bureau of Land Management accounts, including any  
5 funds deposited into these accounts during the two-year  
6 phase-out period, shall be used only to carry out the provi-  
7 sions of this Act:

8           (1) Timber salvage funds (including the Salvage  
9       Sale Fund).

10           (2) The fund established under section 3 of the  
11       Act of June 9, 1930 (commonly known as the  
12       Knutson-Vandenberg Act; 16 U.S.C 576b).

13           (3) The fund containing moneys associated with  
14       the Purchaser-Elect Roads Program.

15       (b) ALLOCATION OF TIMBER SALES REVENUES DUR-  
16       ING PHASE-OUT PERIOD.—Notwithstanding any other  
17       provision of law, from the date of the enactment of this  
18       Act through the duration of the two-year phase-out period,  
19       all timber sale revenues from Federal public lands shall  
20       be deposited in the Knutson-Vandenberg Fund.

21       (c) ABOLISHMENT OF ACCOUNTS.—Notwithstanding  
22       any other provision of law, the funds referred to in sub-  
23       section (a) of this section shall be used to carry out the  
24       provisions of this section until no funds remain in such  
25       accounts, after which these accounts shall be abolished.

1           (d) PAYMENTS TO STATES.—Revenue sharing pay-  
2 ments to States from timber sale receipts, which have an-  
3 nually been made pursuant to the Act of May 23, 1908  
4 (16 U.S.C. 500) shall, for each fiscal year after the date  
5 of passage of this Act (including the fiscal year in which  
6 passage occurs) through fiscal year 2003, be paid from  
7 the funds referred to in subsection (a) of this section, ex-  
8 cept that no such payments shall be made for counties  
9 already receiving “Spotted Owl Payments” pursuant to  
10 Public Law 103–66, 107 Stat. 681, 682. These payments  
11 shall be made in an amount equivalent to the revenue-  
12 sharing payments to States from timber sale receipts in  
13 fiscal year 1996 (\$125.4 million). Should the monies in  
14 the funds referred to in subsection (a) of this section fall  
15 below \$380 million cumulatively, the Secretary of the  
16 Treasury shall make these payments out of money in the  
17 Treasury not otherwise appropriated.

18           (e) WORKER RETRAINING.—Monies shall be distrib-  
19 uted from the funds referred to in subsection (a) of this  
20 section to carry out the purposes of section 8. Such dis-  
21 tributions shall be made in amounts up to \$100 million  
22 in the first year of the phase-out period, and \$100 million  
23 and \$150 million, respectively, in the subsequent two  
24 years.

1           (f) ALTERNATIVES TO WOOD.—From the funds re-  
2       ferred to in subsection (a) of this section, at least \$1 mil-  
3       lion and up to \$3 million shall be distributed to the Envi-  
4       ronmental Protection Agency (EPA) to fund an investiga-  
5       tion into wood-free alternative products for paper and con-  
6       struction. Within one year of the date of passage of this  
7       Act, the Administrator shall make recommendations for  
8       grants to entities involved in the development and produc-  
9       tion of the most environmentally sound non-wood alter-  
10      natives for paper and construction products. Up to \$30  
11      million from the funds referred to in subsection (a) of this  
12      section shall be made available to the EPA for such  
13      grants, which shall be made within three years after the  
14      date of passage of this Act.

15           (g) ALLOCATION OF REMAINING FUNDS.—Any funds  
16      remaining in the accounts referred to in subsection (a) of  
17      this section in the fourth year after the passage of this  
18      Act shall be deposited into the general fund of the United  
19      States Treasury.

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