

# **POLICY BRIEF**

# Making Pacific Northwest Forests Healthy Using Good Neighbor Authority

By Todd Myers, Vice President for Research

September 2025

### **Key Takeaways**

- 1. Across the Pacific Northwest, there are millions of acres of unhealthy federal forests that contribute to annual forest fires that fill the region's air with smoke.
- 2. Federal efforts to improve forest health have been hampered by a lack of resources and federal regulation.
- 3. Good Neighbor Authority allows states to collaborate with the federal government to improve forest health by combining resources.
- 4. Revenue from forest thinnings and harvests help offset the cost of projects. Idaho hopes to fund its program based on these revenues.
- 5. The pace of forest health treatment using Good Neighbor Authority is too slow but has the ability to increase.
- 6. Tribes now have the authority to use GNA but have chosen to use other tools because they have limited resources to fund initial harvests.
- 7. Forest health treatments take years to plan and execute, so state legislatures should put funding in capital budgets to allow state agencies to access funding beyond the limited scope of state operating budgets.
- 8. The federal government should also reduce the regulatory barriers, including NEPA, to accelerate the pace of forest health treatments.
- 9. State and federal agencies should provide training and look to collaborate further with tribes to help use their new authority effectively.



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#### Introduction

Across the American West, there are millions of acres of federal forests in an unhealthy condition that make them extremely susceptible to catastrophic wildfire.

Efforts to reduce that risk, including timber harvests, thinning, controlled burns and other activities, have been slow. For example, when prescribed fires – designed to reduce the amount of ground fuels available for wildfires – escaped in 2022, Forest Service Chief Randy Moore temporarily halted the program. Additionally, the combination of limited federal funding and high regulatory barriers have made it difficult for the Forest Service to make progress toward reducing the fire risk. As one person who works on forest health issues told me, "Our work isn't keeping up with photosynthesis."

The federal government and states are turning to a tool known as "Good Neighbor Authority" as part of efforts to accelerate thinning and other management of fire-prone forests. In his Executive Order on the "Immediate Expansion of American Timber Production," President Trump <a href="specifically highlighted Good Neighbor Authority">specifically highlighted Good Neighbor Authority</a> (GNA) as one of the key tools. Executive Order 14225 directs the Secretaries of Agriculture and Interior to "facilitate increased timber production and sound forest management, reduce time to deliver timber, and decrease timber supply uncertainty, such as the Good Neighbor Authority." Accordingly, the Forest Service is <a href="updating its guidance on GNA">updating its guidance on GNA</a> and other tools to reduce the risk of catastrophic wildfire.

The President also signed an executive order creating a commission to find ways to improve the stewardship of federal lands, including forests. The <a href="White House fact sheet">White House fact sheet</a> notes that the commission will "promote active forest management and responsible stewardship of our public lands, while reducing bureaucratic delays that hinder effective environmental management and put our forests and rural communities at risk."

Both orders indicate a significant change in how the federal government manages public forests, looking to reduce regulatory barriers that created the existing forest health crisis. Good Neighbor Authority was designed for that specific reason – to use state, county and tribal resources and expertise to expedite forest health projects.

States are also looking to expand the use of GNA to address wildfire concerns. As John Songster, the Federal Lands Bureau Chief of the Idaho Department of Lands (IDL), told me, "If we are serious about doing more work on the landscape, [Good Neighbor Authority] is THE tool to do more." Songster went on to note that "States consistently report that GNA is helping them increase the pace and scale of forest

management activities that reduce wildfire risk, improve forest health, and enhance watershed conditions."

This report will look at how to help accelerate the pace of forest health treatment using Good Neighbor Authority. Although it has reduced the time to thin forests, there are still regulatory barriers to its effectiveness. States and tribes that would like to use the authority do not have the resources to do the necessary preparatory work. And states still face challenges finding markets for the low-value timber that often comes from the harvests. That infrastructure is a critical part of generating the ongoing revenue that is a critical part of GNA's system of funding.

There is a unique opportunity to take advantage of the political momentum to cut through bureaucratic barriers the existence of a powerful tool like Good Neighbor Authority to improve forest health across the West.

### **How Good Neighbor Authority Works**

Across the West, there are millions of acres of unhealthy forests that threaten not only federal land but neighboring state, county, private and tribal lands. Fires that start on poorly managed federal lands can move quickly to other lands even those that are more fire-resistant. Congress created Good Neighbor Authority specifically to ensure that the federal government was a good neighbor and was not causing damage to nearby property through mismanagement.

The law, <u>16 USC 2113a</u>, authorizes agreements between the federal government and states or tribes for "activities to treat insect- and disease-infected trees," "activities to reduce hazardous fuels," and "any other activities to restore or improve forest, rangeland, and watershed health, including fish and wildlife habitat." States, counties and Indian tribes are all eligible to sign GNA agreements.

The federal government would still be required to complete environmental analyses required under the National Environmental Policy Act (NEPA) but additional elements of the projects could be managed by other parties, including planning, thinning or other activities and sales of harvested materials. So, while GNA does not eliminate the sometimes onerous NEPA requirements, state forestry agencies have been more efficient at completing the other aspects of forest health projects, which has contributed to an increase in the number of acres treated.

Finally, GNA also addresses the consistent lack of funds to thin forests at a pace necessary to make significant progress. In many cases, the value of the timber in unhealthy forests is relatively low, making them unsuited to standard commercial timber harvests. That lack of value is compounded by the lack of timber infrastructure across the West that increases the cost of milling timber. Revenues from forest health harvests can be retained by states, counties or tribes in a revolving fund that can be used to fund future forest health treatments.

That combination of streamlined process using state and local resources and funding that is independent of the standard Congressional budget process makes GNA a potentially powerful tool to address the crisis faced by federal forests.

Thus far that potential has not yet been fully realized. The experience of states and tribes is instructive as to why work has continued to be slower than hoped for even in states where there is a strong desire for more activity.

### **Experience in the Pacific NW**

Each state in the Northwest has used Good Neighbor Authority in slightly different ways, navigating various political, fiscal and regulatory constraints. Tribes that have active forestry programs have been slow to use new GNA authority due to uncertainty, more attractive alternatives and a lack of seed money to begin activity.

In this section, we will examine the lessons of GNA so far in both Idaho and Washington state, where it is working and identify limits on the authority.

Idaho

Since the GNA program began, the state of Idaho has treated just over 15,000 acres with another 3,340 acres planned in upcoming years. In 2024, the program treated 3,216 acres, generating \$5.6 million in value from the sales of logs. According to the Idaho Department of Lands, there are about 6.4 million acres of forest that are at "high or very high risk of wildfire, insect infestations, or both," so the pace of GNA activity will need to increase dramatically to begin to make a dent on the forest health challenges in the state.

Building on the president's executive order, Idaho Governor Brad Little <u>signed</u> <u>his own order to promote the use of GNA</u> and to reduce the regulatory barriers slowing down forest health activity. The order notes that wildfires on federal land "pose a significant risk to lives, property, natural resources, fish and wildlife habitat, and more..." and notes that although there a new tools to address the problem of forest health, "these tools have not been utilized to their full extent to mitigate the risk of wildfires."

Governor Little's executive order outlines several steps to increase the pace of forest health work, including efforts to "expand GNA and work with the USFS to update and expand shared stewardship agreements to increase the pace and scale of fuels reductions projects in Idaho..."

In December of 2018, Idaho signed a <u>Shared Stewardship Agreement</u> with the Northern and Intermountain Regions of the Forest Service designed to coordinate planning of forest health work using GNA. The goal of the agreement was to "double the annual acres treated through active management on National Forests."

One issue specifically addressed by the executive order is the need for categorical exclusion from NEPA for forest health treatments. Categorical exclusions allow certain classes of actions to avoid more expansive reviews like an environmental assessment or environmental impact statement. As the White House Council on Environmental Quality notes, "The use of categorical exclusions can reduce paperwork and save time and resources." Congress created some limited categorical exclusions for forest health work treatments to help expedite those efforts.

For projects that do not qualify for categorical exclusions, the NEPA process can be time consuming and risk legal challenges even after the process is finished. As Eric Edwards and Sara Sutherland of PERC noted in their examination of the impact of NEPA on forest health work, "The NEPA process increases the time it takes to implement fuel treatments through direct and indirect channels. Direct effects come from administrative and processing time associated with preparing and approving an analysis, plus potential objections and litigation of the agency's analysis. Indirect delays occur when agency officials proactively attempt to ward off future controversy, objections, and litigation through additional processing time and analysis." Their analysis found that a forest restoration project with a categorical exclusion took 220 days to go through the NEPA process, but the time more than doubled for those requiring an environmental assessment to 590 days and up to 1,018 days – more than two and a half years – for those requiring an environmental impact statement.

NEPA process also contributes to the increased up-front costs of planning harvest. State agencies cite a lack of funding and staff to comply with NEPA as well as other required planning and harvest activity as one reason the GNA has not been as successful as they hoped.

Although the Forest Service is ultimately responsible for the NEPA process, the state can help. "We are helping on the front end of NEPA," says Songster. "There is so much data collection and fieldwork that has to go into that process and we are a little better suited to collect that data with boots on the ground." The IDL hopes to use revenue from the sales of products through GNA to fully fund the program and make it self-sustaining in the future. They plan to "take those additional funds and put them into NEPA planning," explained Songster.

Revenue from GNA activity, however, is not yet enough to cover the costs of the program going forward. Idaho is taking several steps to deal with the lack of resources and capacity. The Idaho Department of Lands "is actively coordinating with multiple National Forests to develop proposals to apply for federal funding. These funds would enable IDL to hire additional staff, complete critical road repairs, and contract foresters and other specialists to assist with field work and required environmental analysis," wrote Songster in an email. Although GNA generates revenue to help fund activities, there is a significant upfront cost in planning harvests which is provided by both state and federal government.

For Idaho's GNA program to achieve its potential at a pace that is necessary to address the millions of acres of acres at risk of catastrophic wildlife, the state will need to increase capacity to comply with NEPA, plan forest health activities and complete the harvests or other activities. Expanding the use of categorical exclusions in NEPA for forest health activities would decrease the need for some of the existing overhead costs and would also reduce the time necessary to begin work on the ground.

Washington state, although very different politically, faces many of the same challenges.

## Washington

Although Washington state is smaller than Idaho, GNA projects have treated more acres. Since 2019, the state has <u>completed fuels reduction projects on more</u>

than 25,000 acres. The need for an active GNA program in Washington became more acute in 2025 as the state dramatically cut the funding for forest health work in state forests. Although the legislature had allocated an average of about \$60 million per year for forest health and wildfire prevention during the previous four years, the new budget cut that amount in half to \$30 million per year.

There is no way to make that amount up, but funding from GNA can help fill the gap. Trevor McConchie, who runs Washington's GNA program at the Department of Natural Resources makes it clear, however, that increasing the pace of harvest is unlikely to make up the difference. Compared to harvests on state trust lands, which are designed to generate revenue for Washington's schools and counties, GNA harvests generate about one-quarter of the revenue McConchie says. "We can make \$500,000 on a project that takes four years - \$125,000 per year," he says. "That's not enough to cover an FTE."

The time it takes to plan is also a problem. The state operating budget is for two years, meaning that funding is only guaranteed for that period of time. Contracts for GNA work, however, are often four years long. Simply aligning the funding with the contract length by using the state's Capital Budget would provide more certainty that when projects are ready, the funding will be there.

Like other states, navigating the NEPA process is a challenge. The reduction in staffing at the federal level has also reduced the help the state can receive from the Forest Service in fulfilling NEPA requirements. McConchie explained that the shortage of funding and potential federal assistance means they are now doing much of the work to meet the requirements. Biologists, engineers and other specialists in the Department of Natural Resources are being used to help plan GNA projects. Using state resources to supplement the federal workforce comes at a cost but is one of the strengths of the GNA program and accelerates the time to finish process and planning. McConchie told me that while his GNA contracts take about four years, similar Forest Service projects can take seven years.

Washington's Commissioner of Public Lands Dave Upthegrove did make it clear that he intends to use GNA to treat forests, telling reporters that "We probably have one of the most successful Good Neighbor Authority operations in the country." Although Upthegrove is a Democrat and has frequently criticized the Trump Administration, he pointed to the president's executive order as an opportunity, saying it "could mean opportunities to expand that work together to meet some of our shared goals around fuels reduction and science-based restoration work."

Political pressure from environmental groups has also been a concern for Washington's program. Staff from the Department of Natural Resources say they are careful not to highlight the program and the number of acres they have treated for fear that groups that oppose timber harvesting might work to shut down the program or put strict limits on its activity. Unlike Idaho, in Washington the program needs to maintain "social license" by focusing on projects that have clear environmental benefits, preventing forests and habitat from being destroyed by a catastrophic wildfire. The value of the timber to supplement funding for the program and help maintain a healthy timber infrastructure are important benefits to the program but are not highlighted as part of the public narrative.

As a result, the GNA program in Washington does not hope to become self-sufficient which makes state and federal funding more important. The program,

however, is a critical tool to reduce the number of forest fires in the state and changes to how the program is funded and addresses environmental process will help it meet that goal.

#### Tribes and Forest Health

Congress recently modified the GNA law to allow tribes to retain revenues from timber harvests as states have been able to. Thus far, tribes have not used that new authority. Part of that reluctance has been a lack of clarity on how the funds can be used. Jim Durglo, the fire technical specialist at the Intertribal Timber Council, noted that one reading of the law indicates tribal GNA funds can only be used for recreation rather than forest health. Others dispute that, but there is still some uncertainty to be worked out before the program can be used effectively.

Another tribal expert on forest health told me that some tribes have become resentful of requests to improve the health of neighboring forests when they struggle with capacity to manage their own forests. Many tribes have forest health challenges. Harvests on nearby federal lands, while useful, threaten to take resources that may be better used to deal with threats on reservation land.

Other tribes express the same challenge as the states, arguing that without some seed money for the first harvests, tribes will have to find the resources to complete the first treatments in order to earn the revenue and take advantage of the revolving fund. Without federal funding, tribes have chosen to focus on existing tools like the Tribal Forest Protection Act which allows tribes to work with the Forest Service to prioritize harvest activity near reservation land without having to pay for it. Those projects are managed by the Forest Service and may take more time than GNA harvests, but they don't require funding from the tribes.

Others, like the Yakama Tribe in Washington state, have preferred to focus on contracts with the federal government to complete forest health and other work near reservation lands. Known as 638 contracts, <u>tribes are paid by the federal government</u> to provide services that are otherwise the responsibility of the Bureau of Indian Affairs or other agencies. As with the TFPA, tribes have limited ability to dictate what forest health projects they would prefer, but the cost of those projects fall on the federal government.

It will likely take some time for tribes to use GNA effectively without additional resources. They are likely to continue to rely on existing policy tools and focus on improving tribal forests using the limited resources they have. Making GNA more effective for tribes, however, would be valuable to help tribes increase their capacity as well as improving the industrial capacity for forest health work across the region.

## Policies to Accelerate Forest Health Restoration Using Good Neighbor Authority

There are three steps that can help accelerate the use of GNA by states and tribes.

First, the federal government and states need to provide additional seed money to create the capacity for increased GNA activity. As John Songster of the Idaho Department of Lands noted, they hope to generate enough revenue from harvests

to become self-sustaining in the future but they currently do not have the staff to do the necessary NEPA process, harvest planning and activity to meaningfully increase the pace of forest health treatment. They have asked for additional federal funding to fill that gap.

The same is true with tribes. Tribes recognize that increased harvests can help create the timber infrastructure necessary to capture the value of timber.

Second, the federal government needs to reduce the regulatory burden imposed by NEPA. Although states, tribes and others can help with resources, ultimately the Forest Service is responsible to follow NEPA. As a result, without changes to the regulatory process, the primary limiting factor to accelerating the pace of activity remains in place.

Third, to help tribes navigate the new law and overcome some of the remaining barriers, the Forest Service should provide training on how to use the new authority and how GNA fits with other existing tribal forestry tools.

Using these new approaches, the Make America Beautiful Again commission should make GNA a centerpiece of its proposal to return control of environmental stewardship to the states. This is consistent with Presidential Executive Orders and messages being sent from the Secretaries of Agriculture and Interior.

Good Neighbor Authority is one of the most powerful tools states have to accelerate efforts to reduce the risk of catastrophic wildfire and restore Northwest forests to a more healthy and fire-resilient state. Although progress has been slow, state forest managers recognize the potential and are ready to do the work. It is time to give them the tools.

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#### About the Author

With more than two decades in environmental policy, **Todd Myers**'s experience includes work on a range of environmental issues, including climate policy, forest health, old-growth forests, and salmon recovery. A former member of the executive team at the Washington State Department of Natural Resources, he is a member of the Puget Sound Salmon Recovery Council.

He is the author of "Time to Think Small: How nimble environmental technologies can solve the planet's biggest problems," which outlines how small technologies are empowering people to protect threatened wildlife species, reduce CO2 emissions, and reduce ocean plastic. His previous book "Eco-Fads: How the Rise of Trendy Environmentalism Is Harming the Environment" documented how our environmental policies are driven by a desire to look good rather than to help the environment.

His writing has appeared in the Wall Street Journal, National Review, Seattle Times, and USA Today, and he has appeared on numerous news networks including CNBC, Fox News, the BBC, and CNN. He served as vice president of the Northwest Association of Biomedical Research and received their Distinguished Service Award in 2018 for his support of bioscience. He has also served as president of the Prescription Drug Assistance Foundation, a nonprofit providing medicines to low-income patients.

In 2021, Myers served as president of his local beekeeping club in his quest to build an army of stinging insects at his command. He has a bachelor's degree in politics from Whitman College and a master's degree in Russian/International Studies from the Jackson School of International Studies at the University of Washington. He and his wife Maria live in the Cascade Mountains in Washington state with 200,000 honeybees, and he claims to make an amazing pasta carbonara and an incredible dirty vodka martini with blue-cheese-stuffed olives.