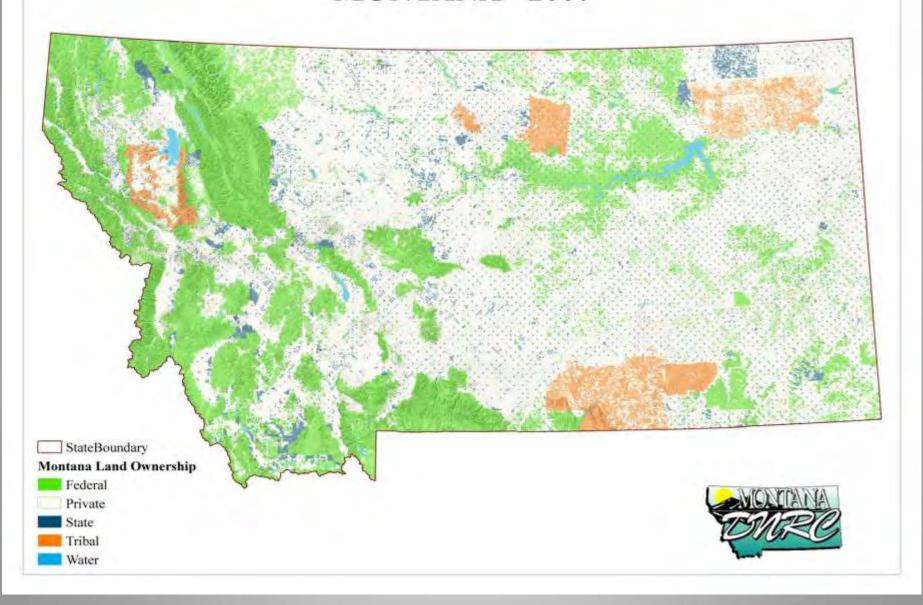
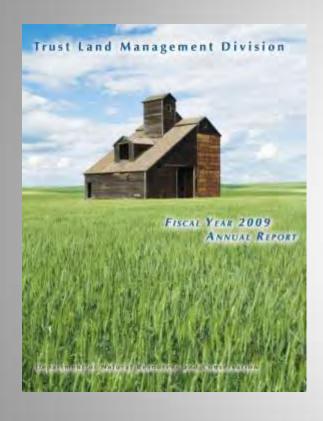




MONTANA - 2007



Montana State Trust Land Management



Total Ownership:

- 5.1 million ac. (2.1 million ha.) surface
 - 6.2 million acres (2.5 million ha.)mineral rights
 - 4.4 million acres agriculture/grazing
 - 700,000 acres forested
- **Mission**: "Produce revenues for trust beneficiaries while considering environmental factors and protecting the future income-generating capacity of the land."
- Beneficiaries (9 total)
 - Common schools (K-12) 90%
 - Universities 5%
 - Other 5%
- Governance: State Land Board
 - 5 top elected officials
- 5-yr Avg. Annual Revenue: \$103.6 million
 - Forest Management: \$12.2 million

Montana Forest Statistics



- Total Area: 381,000 sq. km.
 - 4th largest state in U.S.
- Population: 1 million
- Total Forest: 22 million ac (9 million ha.)
 - 60% National Forest
 - 24% Private Family
 - 8% Corporate
 - 8% State or Tribal
- Average Timber Harvest:
 - 1.0 million cubic meters
- Forest Products Industry:
 - 14 wood products mills
 - 10 log home / post-rail plants
 - 600 logging professionals
- Annual Value of Wood/Paper Products:
 - \$750 million US

Origins of Montana Forest Practices Regulatory Framework



1989: Forestry at a Crossroads

- Federal Clean Water Act
- Potential of Federal Enforcement
- Pressure for Forest Practices Act

Non-regulatory approach

- Montana Best Management Practices (BMP) Law
- Landowner/Logger Education
- Monitoring
- Unlike west coast states

Goal: Improve Forest Practices







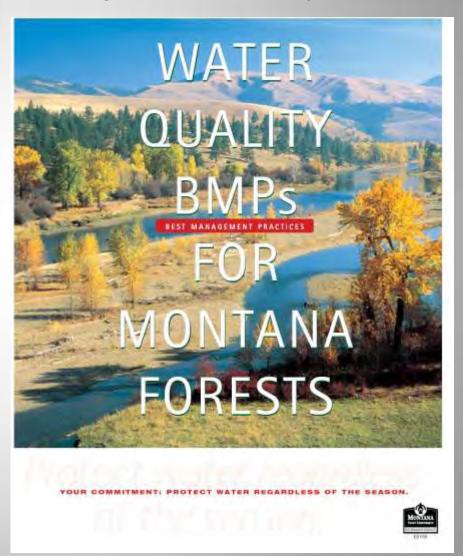


Forestry Best Management Practices (BMPs):

Minimum standards for protecting soil/water quality

Emphasis:

- Road Construction
- Timber Harvesting
- Stream Crossings
- Hazardous Substances
- Streamside Management Zones



Focus on Education & Monitoring





Loggers

- ✓ Accredited Logger Professional Program
- ✓ Stewardship Education for Loggers

Landowners

- ✓ Forest Stewardship Program
- ✓ Individual on-site advice

Monitoring

- ✓ Field audits every two years
- ✓ Report to state legislature
- ✓ Additional regulation when justified by audits
 - √ 1991 Streamside Management Zone Law



Results: BMP Audit Trends 1990 vs. 2008



Category	1990	2008
Successful Application of All BMPs	78%	97%
Successful Application of High Risk BMPs	53%	90%
% Sites with Major Departure	61%	19%
Average Number of Impacts per Site	8	1

Role of State Government



Educate:

- Loggers
- Landowners

Coordinate:

- TechnicalCommittee
- Audit Process

Monitor/Report:

- State Legislature
- Public

Keys to Success



Government Involvement

- Federal Pressure
- State Legislation
- Agency Education & Coordination

Non-regulatory Process

- Emphasis on Education
- Landowner/Industry Involvement
- Self-Regulation

Proven Results

- Monitoring/Audits
- Biennial Report

Applying the Model in Other States/Countries



- Establish Goals
- Pressure / incentives from central government
- "Progressive Regulation"
- Match the prevailing culture
- Locally driven
- Industry & political support

