

Signed Memoranda of Understanding -- Distribution List

File:
Forests

Tom Collier, Interior

Bob Nash, Agriculture

Jonathan Silver, Commerce

Rob Portman, Labor

Bruce Katz, HUD

David Gardiner, EPA

T.J. Glauthier, OMB

Katie Broeren, SBA

Doug Hall, Commerce

Sylvia Mathews, NEC

Bruce Reed, DPC

Kathy Zoi, OEP

THE WHITE HOUSE
WASHINGTON

September 30, 1993

MEMORANDUM FOR DISTRIBUTION

FROM: Peter Yu 

SUBJECT: Signed Memoranda of Understanding

Thank you very much for your recent assistance in securing signature of the memoranda of understanding arising out of the President's Forest Plan and the Northwest Economic Adjustment Initiative. Attached please find signed copies for your files. The third memorandum (which involves state and local officials) is circulating for signature in the Northwest.

Now the important work begins. I understand that Agriculture has begun to draft the Strategic Plan required by the memoranda and that Bob Nash will soon convene the first meeting of the Multi-Agency Command.

Thank you again for your assistance.

INTERAGENCY MEMORANDUM OF UNDERSTANDING
FOR ECONOMIC ADJUSTMENT AND COMMUNITY ASSISTANCE

L. PARTIES

This is an agreement among eleven parties:

- the Secretary of the Interior;
- the Secretary of Agriculture;
- the Secretary of Commerce;
- the Secretary of Labor;
- the Secretary of Housing and Urban Development;
- the Administrator of the Environmental Protection Agency;
- the Deputy Director of the Office of Management and Budget;
- the Administrator of the Small Business Administration;
- the Assistant to the President for Economic Policy;
- the Assistant to the President for Domestic Policy; and
- the Director of the Office on Environmental Policy;

II. PURPOSE

The purpose of this Memorandum is to improve interagency cooperation in order to enhance the delivery, tracking, and evaluation of economic adjustment assistance to workers, families, businesses, and communities affected by the President's Forest Plan for the Pacific Northwest and northern California. This memorandum establishes the principles that will guide the parties' cooperation in this undertaking, sets forth the objectives of this collaborative effort, and outlines the responsibilities of the parties. It also defines the structure of federal coordination, which is designed to work closely with state and local governments, Tribal Nations, and others, in order to make the best use of federal resources. This memorandum complements the Memorandum of Understanding for Forest Ecosystem Management.

III. STRUCTURE

A. *Equal Status:* The parties are equal members of this cooperative relationship.

B. *Multi-Agency Command:* Each of the parties shall, within 7 days of the signing of this Memorandum, designate one individual (the Secretary of Agriculture and the Secretary of the Interior may each designate one or two individuals) to serve as the liaison with the other parties and to report directly to the appropriate party. These individuals shall comprise the Multi-Agency Command (MAC). The Secretary of Agriculture shall designate one of the representatives to serve as Chair of the MAC.

The MAC, under the guidance of the parties, shall have oversight and policymaking authority and

responsibilities as consistent with the authority delegated by each party.

C. *Regional Community Economic Revitalization Team:* The Secretaries and the Administrators shall, within 14 days of signing this Memorandum, each designate one or more representatives to participate in the Regional Community Economic Revitalization Team (Regional CERT), which will be based in the affected region. The Regional CERT shall also include two representatives each from Oregon, Washington, and California. One of those two representatives shall be designated by the Governor, and the second representative shall be designated by the nonfederal members of the State CERT. The Secretary of Agriculture and the Secretary of the Interior shall designate two of the federal representatives to serve as Co-chairs of the Regional CERT.

The Regional Community Economic Revitalization Team, under the guidance of the Multi-Agency Command and the parties, shall have decision authority as consistent with federal law and the Strategic Plan described in Part IV, and subject to the limitations set forth in Part V. However, nothing in this Memorandum shall be construed to expand or diminish the authority of federal, state, or local officials participating in the Regional CERT. Matters unsettled or disputed within the Regional CERT shall be forwarded to the MAC for resolution.

D. *State Community Economic Revitalization Team:* The parties and the Governors of Oregon, Washington, and California shall establish State Community Economic Revitalization Teams (State CERTs). Each State CERT should include representatives of each federal agency with program responsibility, representatives of state government appointed by the Governor, and representatives of local government appointed by the Governor with the approval of local governmental organizations. The Chair of each State CERT shall be selected by its nonfederal members.

The State CERTs shall have daily authority to implement the Strategic and Implementation Plans as consistent with federal and state law. However, nothing in this Memorandum shall be construed to expand or diminish the authority of federal, state, or local officials participating in the State CERTs. Matters unsettled or disputed within a State CERT shall be forwarded to the Regional CERT for resolution.

E. *Memorandum of Understanding with the States:* The Multi-Agency Command shall, within 14 days of the signing of this Memorandum, enter into a Memorandum of Understanding with the Governors of Oregon, Washington, and California, and representatives of affected communities in the region. That Federal-State Memorandum shall complement this Interagency Memorandum and set forth in greater detail the responsibilities of the Regional CERT, the State CERTs, relevant state and local governments, and other parties, as well as the relationships between state and local representatives.

IV. RESPONSIBILITIES OF THE PARTIES

In the development and execution of economic adjustment activities, state and local governments, Tribal Nations, and others shall play a critical role in determining how best to meet the needs of the affected communities. Federal officials should resolve interagency differences, coordinate interagency activity, and remove any unnecessary regulatory impediments to economic adjustment and assistance.

A. Development of Strategic Plan

Working with state and local officials, representatives of the Tribal Nations, and other persons the parties deem appropriate, the Multi-Agency Command shall prepare a Strategic Plan for Economic Adjustment and submit that plan to the parties and the Governors of Oregon, Washington, and California within 45 days of the signing of this Memorandum. The Plan, which shall be consistent with the limitations set forth in Part V, shall address a three-year period and include:

- a detailed statement of the goals of the Plan;
- a streamlined process for the delivery of economic assistance and services;
- a detailed description of authority delegated to federal officials in the region;
- quantifiable benchmarks of progress, such as new family-wage jobs created, numbers of dislocated workers retrained, numbers of community facilities funded, and capital investment levels, and related timetables; and
- a detailed description of the relationship among the federal, state, and local parties.

The parties and the Governors of Oregon, Washington, and California shall approve the Plan within 15 days of its submission.

B. Development of Implementation Plan

Working with representatives of the State CERTs, the Tribal Nations and other persons the parties deem appropriate, the Regional CERT shall prepare an Implementation Plan and submit that plan to the MAC and the Governors of Oregon, Washington, and California within 45 days of the approval of the Strategic Plan. The Implementation Plan shall address a three-year period and include:

- a detailed plan for integrating and implementing the relevant programs and services of the Departments of Labor, Commerce, Interior, Agriculture, Housing and Urban Development, the Small Business Administration, and the Environmental Protection Agency;

- a detailed plan for a clearinghouse of services for state and local officials, individuals, and firms;
- a detailed and comprehensive list of temporary and permanent legislative and regulatory provisions necessary for the prompt and efficient delivery of assistance to affected communities and individuals;
- a plan for a uniform system for reporting to the MAC;
- dates for the final submission of projects, with deadlines for approval;
- limits on administrative expenses and overhead for services provided to workers, businesses, and communities; and
- a detailed plan and timetable for the actual receipt of assistance by affected communities and individuals.

The MAC and the Governors of Oregon, Washington, and California shall approve the Implementation Plan within 15 days of its submission.

C. *Execution*

The parties shall make available the resources (including adequate personnel and support services) necessary to execute the Implementation Plan, including the financial resources set forth in Part V, and subject to the conditions set forth in Part V.

Working with state and local officials and other persons the parties deem appropriate, the State and Regional CERTs shall implement the three-year Implementation Plan as consistent with federal and state law.

As set forth in the Memorandum of Understanding for Forest Ecosystem Management, the Regional Executive Committee (REC) established for purposes of federal land management shall have the ultimate authority for the implementation of the watershed restoration projects and attendant "jobs in the woods" efforts, except where Federal law vests such decisions in the States or elsewhere (e.g., the Clean Water Act). The Regional CERT and the REC shall work together to prepare a plan for implementing those projects that will promote (i) creation of family-wage jobs, a preference for displaced timber workers, integration with job training and placement programs, and minimal administrative overhead; and (ii) integration of these employment criteria with environmental criteria.

The Multi-Agency Command, working with appropriate local and state officials, shall review and evaluate both the Strategic Plan and the structure set forth in this Memorandum, determine whether the Plan and structure are appropriate for the continued delivery of economic adjustment assistance to the region, and develop and propose any revisions to the structure the MAC deems

necessary. The MAC shall submit a report on these issues within six months of the approval of the Strategic Plan.

V. FINANCIAL COMMITMENTS

The parties agree to make available the following financial resources under the following specified conditions:

The Department of Labor (DOL): Subject to sufficient appropriations by Congress, DOL agrees to make available, out of Job Training Partnership Act (JTPA) funds reserved by the Secretary pursuant to Title III, twelve million dollars (\$12 million) per year, for the three-year period beginning July 1, 1993, to support the purposes set forth in Part II of this Memorandum. Such funds shall be available subject to the following conditions:

1. That each State involved, namely Oregon, Washington, and California, certifies that formula funds made available to the State pursuant to Title III of JTPA for each year of the three-year period are not and will not be available for the purposes described in Part II of this Memorandum, and that the State is utilizing and will continue to utilize, to the maximum extent possible, JTPA Title III formula funds for such purposes;
2. That the final decision regarding the award of any of the Secretary of Labor's reserve funds made available under Title III of JTPA shall be made by the Secretary pursuant to the applicable law; and
3. That, if a sufficient number of meritorious proposals are not submitted by the named States by at least three months prior to the end of each program year (June 30) for each of the three years for which the \$12 million commitment is made, there will be no obligation to commit the balance of the \$12 million to any or all of the named States for the purposes described in Part II of this Memorandum.

The Department of Agriculture: The Department of Agriculture agrees to provide assistance through both the US Forest Service (USFS) and the Rural Development Administration (RDA).

The Rural Development Administration: RDA agrees to request appropriations and/or reprogramming in the following amounts in the following programs. All eligibility criteria under current regulations governing these programs must be met in order to obtain financial assistance.

The continued funding at the program levels indicated below and for FY1995 and FY1996 is subject to sufficient Congressional appropriations for those Fiscal Years. For all listed programs, with the exception of the Rural Business Enterprise Grant (RBEG) Program, one-half of unobligated funds available to the region will revert to the Agency's National Office Reserve in April with the balance of unobligated funds reverting to the Agency's National Office Reserve in August. Unobligated RBEG Program funds will revert to the Agency's National Office

Reserve in July.

1. The Business and Industry Program (B&I) provides guarantees for loans to improve, develop, or finance business or industrial activity, and to improve the economic and environmental climate in rural communities. This type of assistance is available to businesses located in areas outside the boundary of a city of 50,000 or more and its immediate adjacent urbanized area. For FY1994–FY1996, a total of \$35.3 million each year will be made available.
2. The Community Facilities (CF) Program provides financial assistance to construct, extend, or otherwise improve community facilities providing essential services in rural areas and towns with a population of less than 20,000. For FY1994–FY1996, a total of \$41.6 million each year will be made available.
3. The Intermediary Relending Program (IRP) provides direct loans to nonprofit organizations to establish revolving loan funds. The funds then provide loans for businesses and community development projects not within the outer boundary of any city having a population of 25,000 or more. For FY1994–FY1996, a total of \$16.0 million each year will be made available.
4. The Rural Business Enterprise Grant (RBEG) program supports public and nonprofit organizations that provide technical assistance to new and growing businesses, that fund revolving loan funds for such businesses, or that develop industrial park sites. The program assists business enterprises located in areas outside the boundary of a city of 50,000 or more and its immediately adjacent urbanized area. For FY1994–FY1996, a total of \$4.1 million each year will be made available.
5. The Water and Waste Disposal (WWD) Loan and Grant Program provides financial assistance for the development of water and waste disposal including solid waste disposal and storm drainage systems in rural areas and towns with a population of less than 10,000. For FY1994–FY1996, a total of \$87.0 million each year will be made available.

The Forest Service: USFS agrees to request appropriations and/or reprogramming in the following amounts in the following programs:

1. Under Subtitle G of the 1990 Farm Bill (Rural Revitalization Through Forestry), the Rural Community Assistance program supports rural development, economic recovery, and studies designed to help diversify economic conditions in these communities. USFS will make available through reprogramming and redirection an additional thirteen million dollars (\$13 million) in FY1994, and an additional ten million (\$10 million) each year in FY1995 and FY1996, for these programs.
2. The Old Growth Diversification program funds projects designed to improve

markets for value-added wood products. USFS will make available through reprogramming and redirection an additional three million dollars (\$3 million) each year for FY1994-FY1996 for this program.

3. The Forest Stewardship Program and Stewardship Incentive Program provide technical and financial assistance to private non-industrial landowners. USFS will make available through reprogramming and redirection an additional four million dollars (\$4 million) each year for FY1994-FY1996 for this program.

4. USFS agrees to make available through reprogramming and redirection an additional sixteen million dollars (\$16 million) per year for FY1994-FY1998. These funds would support watershed restoration and "jobs in the woods" in the Pacific Northwest and northern California.

The Department of the Interior: The Department of the Interior agrees to request appropriations and/or reprogramming of thirty million dollars (\$30 million) each year for FY1994-FY1998. These funds would support watershed restoration and "jobs in the woods" in the Pacific Northwest and northern California.

The Department of Commerce: Subject to sufficient appropriations by Congress, the Department of Commerce agrees to make available an additional \$15 million in FY1994. These funds would support increased activity by the Economic Development Administration (such as planning, technical assistance, lending, and grantmaking) in the affected region. In the event that such appropriations are not available, and in FY1995 and FY1996, the Department of Commerce will make available an additional \$3 million (over normal annual expenditures) to be used for capacity-building (planning and technical assistance).

The Environmental Protection Agency: The Environmental Protection Agency agrees to request appropriations and/or reprogramming of five million dollars (\$5 million) each year for FY1994-FY1998. These funds would support watershed restoration as authorized under Section 318 of the Clean Water Act and ecological risk assessment research in the Pacific Northwest and northern California.

VI. REPORTS

Every six months, the Multi-Agency Command shall promptly prepare and file with the parties and the Governors of the three States an evaluation report which

- assesses the progress made in the preceding period toward the goals and objectives identified in the Strategic Plan; and
- suggests any adjustments or amendments in the cooperative relationship that the MAC considers desirable.

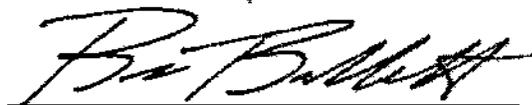
VII. LIABILITY

This is not a legally binding or enforceable agreement. The matters covered in this memorandum are intended only to improve the internal management of the Executive Branch and are not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

VIII. TERMS

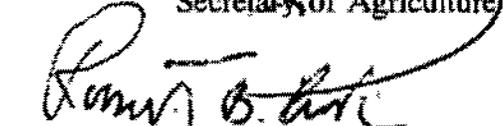
The term of this agreement is forty months from the date of execution. At that time, the parties may, by unanimous action, extend this agreement for any additional period. This agreement may be amended by unanimous consent of the parties. Any party may terminate its participation in this agreement without cause.

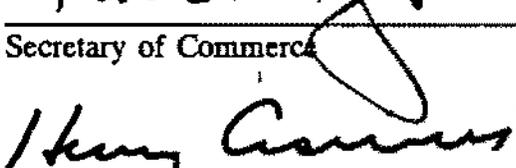
AGREED:

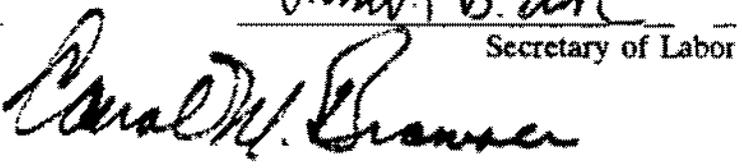

Secretary of the Interior


Secretary of Agriculture

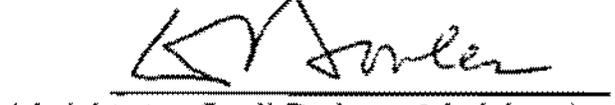

Secretary of Commerce

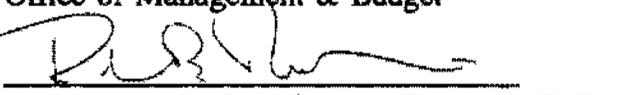

Secretary of Labor

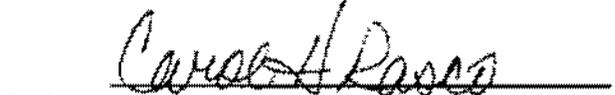

Secretary of Housing & Urban Development


Administrator, Environmental Protection Agency


Deputy Director
Office of Management & Budget


Administrator, Small Business Administration


Assistant to the President for Economic Policy


Assistant to the President for Domestic Policy


Director, Office on Environmental Policy

**MEMORANDUM OF UNDERSTANDING
FOR FOREST ECOSYSTEM MANAGEMENT**

I. PARTIES

This is an understanding among five parties:

The Director of the White House Office on Environmental Policy
The Secretary of the Interior
The Secretary of Agriculture
The Administrator of the Environmental Protection Agency
The Under Secretary of Commerce for Oceans and Atmosphere

II. BACKGROUND

The President has proposed a comprehensive plan to alleviate the impasse over management of federal forest lands in the Pacific Northwest within the range of the northern spotted owl. The plan fulfills the President's request for "a balanced and comprehensive strategy for the conservation and management of forest ecosystems, while maximizing economic and social benefits from the forests." By taking an innovative approach based on ecosystem and watershed management, the plan transcends traditional administrative boundaries. Successful implementation will require unprecedented interagency cooperation, coordination, and collaboration, both in the long-term and in the short-term.

The report of the Agency Coordination team established by the President following the April 2, 1993 Forest Conference presents a mechanism to achieve better coordination and cooperation among the federal agencies that are involved in forest management issues. It concluded that "bold changes are required" in how agencies relate to one another and to the states, tribes, private landowners, and communities and people in the region.

III. PURPOSE

The purpose of this Memorandum of Understanding is to establish a framework for cooperative planning, improved decision making, and coordinated implementation of the forest ecosystem management component of the President's *Forest Plan for a Sustainable Economy and a Sustainable Environment* which is designed to resolve northwest forest issues within the range of the northern spotted owl.

Signatories to this Memorandum of Understanding agree to:

- develop a cohesive vision and shared sense of mission for the management of federal forest lands which balances multiple objectives;
- improve their ability to adapt to change, such as new scientific understanding or changing societal values, in a cohesive manner;
- cultivate greater trust, coordination, and cooperation among federal agencies, within individual agencies, and between federal agencies and non-federal interests;
- address inconsistencies among statutory mandates;
- improve integrated application of agency budgets to maximize efficient use of funds for overlapping or related efforts;
- improve the sharing of information and the pooling of agencies' technology and expertise;
- coordinate ecosystem management activities in concert with federal, state and local programs for economic, labor, and community assistance.

IV. STRUCTURE

The following interagency groups are established to develop, monitor, and oversee the implementation of the comprehensive forest management strategy for federal forests within the range of the northern spotted owl. They will support the development and implementation of land and resource management plans. This agreement does not substitute for or alter the line authority of individual agencies.

- A. Interagency Steering Committee: The Interagency Steering Committee will establish overall policies governing the prompt, coordinated and effective implementation of the President's forest management plan by all relevant federal agencies and address and resolve issues referred to it by the Regional Executive Committee, described below. The Committee will be located in Washington, D.C. The signatories will appoint representatives to this Committee which will be chaired by the Director of the White House Office on Environmental Policy or her/his designee. A White House appointed representative of the ISC will serve as interagency coordinator to provide general oversight and guidance of regional activities.

B. Regional Interagency Executive Committee (RIEC): This group will consist of regional representatives of the agencies signatory to this M.O.U. The chairmanship of the RIEC will alternate between the Regional Forester and State Director of the Bureau of Land Management. In appropriate situations this core group will consult with other federal and state agencies and tribes. The Regional Interagency Executive Committee will serve as the senior regional entity to assure the prompt, coordinated and successful implementation of the President's forest management plan at the regional level. It will serve as the principal conduit for communications between the Interagency Steering Committee and the region. It will be responsible for implementing the directives of the Interagency Steering Committee, reporting regularly on implementation progress, and referring issues relating to the policies or procedures for implementing the plan to the Interagency Steering Committee.

The RIEC will appoint an interim interagency implementation team to oversee and initiate actions during the interim period moving toward to full implementation of the new forest management strategy.

The Regional Interagency Executive Committee will work together with the Multi-Agency Command group (MAC) of the Northwest Economic Adjustment Initiative to develop criteria and priorities for restoration projects or other ecosystem investment opportunities.

The Regional Interagency Executive Committee will be accountable to the Interagency Steering Committee for establishment and oversight of the Regional Ecosystem Office, Research and Monitoring Committee and Provincial Teams. The Regional Interagency Executive Committee will also make recommendations for minimizing planning redundancies.

1. Regional Ecosystem Office: This office will provide a focal point for scientific and technical expertise in support of implementation of the forest management plan. It will also be responsible for evaluation of major modifications arising from the adaptive management process and will coordinate the formulation and implementation of data standards. This office will report to the Regional Interagency Executive Committee and will be responsible for development, evaluation, and resolution of consistency and implementation issues with respect to specific topics including, but not limited to, the following:

- Geographic Information Systems
- Prototype watershed analyses
- Restoration and reforestation guidelines
- Support of agency efforts to meet obligations of Endangered Species Act (e.g. Section 7 consultations, preparation of recovery plans)

- Adaptive management guidelines
- Monitoring
- Research
- Refining definition of reserve boundaries

Agencies will detail staff to the Regional Ecosystem Office as appropriate.

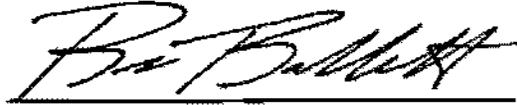
2. Research and Monitoring Committee: This committee, composed of research scientists and managers from a variety of disciplines will provide advice to the Regional Interagency Executive Committee on implementation of the forest plan including adaptive management areas and watershed assessments. The Research and Monitoring Committee will review and evaluate ongoing research, develop a research plan to address critical natural resource commodity and non-commodity questions, and address biological, social, economic, and adaptive management research questions. It will also develop scientifically credible, cost-efficient monitoring plans. The Research and Monitoring Committee will report to the Regional Interagency Executive Committee.
3. Provincial Teams: These teams will consist of representatives of federal agencies, states, tribes, and others. The Interagency Steering Committee and the Regional Interagency Executive Committee will determine the appropriate role for these teams at the level of physiographic provinces, adaptive management areas or particular watersheds.

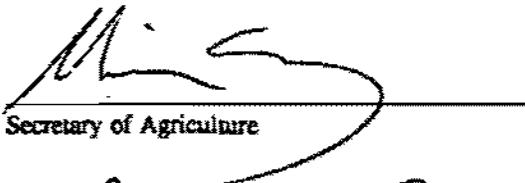
V. TERMS

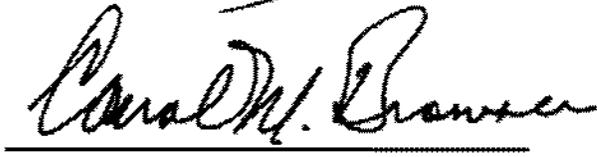
The term of this agreement is five years from the date of execution, after which time the parties may extend the agreement.

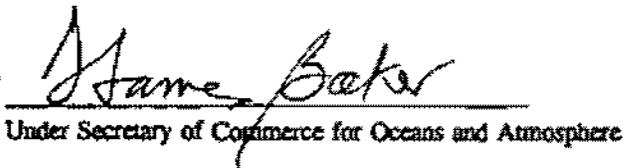
AGREED:


Director, White House Office on Environmental Policy


Secretary of the Interior


Secretary of Agriculture


Administrator, Environmental Protection Agency


Under Secretary of Commerce for Oceans and Atmosphere