

PERFORMANCE AUDIT

Report Highlights



Office of the
Washington
State Auditor
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Adaptive Management Program: Improving Decision-Making and Accountability

Washington has long struggled with balancing the state's \$28 billion timber industry, which employs some 42,000 workers, and its effect on the environmental health of millions of acres of private forests and their associated watersheds. The Adaptive Management Program, housed in the Department of Natural Resources and managed by the Forest Practices Board, is an extension of the 1987 Timber Fish Wildlife Agreement. The program's participants are drawn from caucuses including state, tribal and local governments, logging companies and landowners, and other organizations. Adaptive management relies on learning by scientific experimentation, then adapting practices and policies based on the results. The ultimate goal is to create and maintain sustainable natural resource systems – such as forests or watersheds – while allowing the timber industry to thrive.

Members of the Forest Practices Board were concerned about persistent and significant delays in receiving advice for rule-making. The board asked the State Auditor to audit the program, particularly to identify ways the program could become more efficient and effective in its decision-making.

The Adaptive Management Program is not operating as intended

Although designed to allow nimble changes to forest practices rules, the program has produced only two science-based rule revisions since 2006. The requirement for unanimous voting, paired with the members' reluctance to use the dispute resolution process, results in little action by the board. A single veto can halt the process. The dispute resolution process was designed to allow the process to move forward when there is not consensus. However, caucus representatives are reluctant to use the dispute resolution process. Furthermore, when members have used dispute resolution, the board has been reluctant to follow the outcome.

In addition to the issues created by the unanimous voting requirement, most studies are delayed. Projects can stray from schedules in part because the program has no consistent or centralized way to track them. Prompt decision making is also undermined because committee members do not adhere to roles and responsibilities assigned in the program manual. Contributing to these problems is the issue that program rules and guidance are not set up to ensure all requirements in the Washington Administrative Code (WAC) are followed. Finally, neither the program rules nor the manual make anyone responsible for holding participants accountable for their actions.

Leading practices from similar adaptive management programs could be applied to the program

We identified six leading practices that could help the board reach decisions while improving accountability and transparency.

Practice 1: Use a “net gains” approach to decision making to help caucuses see a “win” from compromising on a project package.

Practice 2: Develop decision criteria up front to eliminate indecision by having participants agree to what results mean.

Practice 3: Switch to an alternative to consensus decision making to ensure decisions are made more quickly.

Practice 4: Institute a comprehensive monitoring and tracking system to help the program avoid delays.

Practice 5: Provide a public-facing dashboard to help establish a monitoring system and increase transparency.

Practice 6: Report regularly to the state legislature, as similar programs already do, to increase transparency.

Without change, the program will continue to languish, putting Washington at risk for litigation

The Adaptive Management Program was created to facilitate cooperative solutions and avoid costly litigation. However, if the program does not improve its processes, the state risks penalties for failing to meet federal requirements. The program is falling behind on meeting Clean Water Act milestones. Furthermore, a representative from a federal oversight agency says the program is not meeting requirements of the Habitat Conservation Plan. In addition, participants agree lawsuits are a likely consequence of program failure.

State Auditor’s Conclusions

Washington’s forest ecosystem is one of our state’s most important natural resources. For years, various groups with competing interests in how the forests should be managed relied on contentious litigation to settle those differences. The state’s Adaptive Management Program was created by the legislature more than 20 years ago as a way to update forest management rules and guidance through a science-based approach and avoid costly legal cases.

After adopting a number of science-based rules in its early years, the program is not operating as intended. Two key causes are the unanimous voting requirement and participants’ reluctance to make use of the dispute resolution process when consensus cannot be achieved. In this audit, we offer recommendations to move the process forward, including adopting an alternative to the 100 percent consensus decision model, a net-gains approach to decision making, and mandatory dispute resolution. Without these types of changes, the very mechanisms that were put into place to prevent legal battles will continue to impede the decision-making process and put the state at risk of ending up back in court.

Recommendations

To reflect legal requirements, we made a series of recommendations to the Forest Practices Board to update the board manual and implement those requirements. We also recommended that the board integrate leading practices and update its operating manual and WAC accordingly. Applicable leading practices include not requiring 100 percent consensus for decision-making, incorporating a public-facing dashboard to show progress, and considering packages of projects that meet the needs of multiple caucuses instead of considering projects one by one. Finally, we made recommendations to the Legislature to address accountability and possibly consensus voting.