

4.1 Purpose. This chapter provides the policies, standards and responsibilities governing permit harvesting of forest products on Indian lands.

4.2 Guidance. Handbooks, directives and other guides may be issued and revised as necessary (see 53 IAM 1.3; also see the *Indian Forest Management Handbook (the Handbook)*, Volume 4, titled, *Permit Sales of Forest Products*, for detailed process and procedural guidance).

4.3 Scope. The directives contained in this chapter apply to all Federal agencies and programs participating in the management, accountability, or protection of Indian forest lands. Regardless of the means of program execution, the appropriate Federal official shall assure that the standards prescribed herein are met.

4.4 Policy. The following policies apply to all Indian forest land managed by the Secretary:

A. To harvest Indian trust forest products under an approved Forest Management Plan that is consistent with established tribal goals and objectives, and with a tribal Integrated Resource Management Plan, through the application of sound silvicultural and economic principles on a sustained yield basis.

B. To sell Indian trust forest products through permits with the beneficial owners written consent when volumes and values are sufficiently small and formal contract sales are deemed inappropriate.

C. To accurately determine and record the volume and value of forest products harvested by ownership, and to ensure that required payments are made.

D. To maintain sufficient records to document compliance with permit requirements and to otherwise record factual information relating to the permittee's performance under the permit.

4.5 Harvesting Forest Products through Permit.

A. Consent of Owners.

(1) Tribal Interests. Harvesting forest products from unallotted (tribal) lands under permit authority will be allowed only with the written consent of the beneficial Indian owners. For efficiency of permit operations, tribal consent may be in the form of a periodic "*Timber Use Policy Statement*", approved by the recognized governing body of the tribe. This document reflects tribal and Bureau policy towards harvesting products under permit authority, and describes the agency/tribal prices, policies, and procedures for issuing paid and free-use permits and authorizing free-use cutting without permits on designated tribal lands (refer to *Volume 4 of the Handbook* for information that should be contained in the *Timber Use Policy Statement*).

(2) Allotted Interest. With single-owner tracts, the sole owner consents to the Permit by signing as permittee or authorizes as owner. With multiple-owner tracts, landowner consent is obtained through using a Power of Attorney for the Sale of Allotted Timber (see *Volume 4 of the Handbook*). With these multiple-owner tracts, a simple majority of restricted owner consent is required, although an effort shall be made to obtain consent of all owners. When an individual cannot be located, the Secretary, after a reasonable and diligent search and the giving of notice by publication, may sign a Power of Attorney consenting to the sale for the particular interests. When consent of only a majority restricted interest has been obtained, the Secretary may execute the sale on behalf of all owners (refer to 25 CFR §163.20).

(3) Unrestricted Interest in which there are Trust or Restricted Interests. Upon the request of the owner of an undivided but unrestricted interest in land in which there are trust or restricted Indian interests, the Secretary may include such unrestricted interest in a sale of the trust or restricted interests in the timber. When an individual with unrestricted interest cannot be located, the Secretary, after a reasonable and diligent search and the giving of notice by publication, may execute the sale on behalf of all owners with consent of a majority of restricted interest.

B. Limitations.

(1) Free Use. Tribes may stipulate that forest products harvested under this authority cannot be sold or exchanged for other goods or services.

(a) Free Use Permits. The stumpage value that may be harvested under free use permits in a fiscal year by any individual Indian or organized group of Indians shall not exceed \$5,000 (refer to 25 CFR §163.26(b)).

(b) Harvesting Without Permits. Permissible with landowner consent and for personal use only (refer to 25 CFR §163.27).

(2) Paid Permits. The stumpage value that may be harvested under paid permits in a fiscal year by any individual shall not exceed \$25,000. These permits may be subject to forest management deductions and performance bonds.

(3) Special Allotment Timber Cutting Permits. These permits can only be issued to an Indian having sole beneficial interest in an allotment, and allow the permittee to harvest and sell designated forest products from his or her allotment (refer *the Handbook, Volume 4* for guidance on the Special Allotment Timber Cutting Permit (SATCP)). Performance bonds may be required as per 25 CFR §163.21.

4.6 Sale Preparation. All harvest under this authority shall be based on value established by some form of appraisal, and shall conform to sustained-yield principles. The following elements are required:

A. Environmental and Cultural Resource Requirements. An environmental analysis and other studies as necessary will be prepared to comply with applicable laws and regulations for the protection and enhancement of environmental and cultural resources.

B. Permit forms. Essential departures from the fundamental requirements contained in the approved forms shall be made only through the Secretary. Additional provisions may be added to the permit as necessary. The following permit forms are approved for use and appear as illustrations in *the Handbook, Volume 4*:

(1) Form BIA-5331. Timber Cutting Permit.

(2) Form BIA-5328. Special Allotment Timber Cutting Permit.

C. Other. Powers of Attorney, if permit is on allotted lands and permittee is not the sole owner operating on his/her allotment.

4.7 Forest Management Deductions. The Secretary shall withhold a reasonable deduction from the gross proceeds of sales of forest products harvested from Indian forest land under a timber sale contract, permit, or other harvest sale document, except where the total sale value is less than \$5,001. Expenditure plans are required that detail how estimated expenditures fall within the areas of land

management activities which may be funded (see 25 CFR §163.25 and 53 IAM 11 for more on withholdings and expenditure plans).

4.8 Responsibilities.

A. Director, Bureau of Indian Affairs.

- (1) Develop and revise policy on permits and other forest products harvesting.
- (2) Provide oversight, guidance, and technical assistance to Regional offices as needed.
- (3) Establish reporting standards and requirements.

B. Regional Director.

- (1) Establish procedures for permit sale preparation and administration.
- (2) Perform or delegate authority for responsibilities of the approving official.
- (3) Provide oversight, guidance, and technical assistance to Agency and Tribal offices as needed.
- (4) Receive, review, and compile other forest products harvest accomplishment reports from field offices and tribes for annual Central Office reporting requirements.

C. Approving Officer. (May be Regional Director, Agency Superintendent, or any line officer with the delegated authority)

- (1) Secure consent of all owners for harvest of forest products under this authority.
- (2) Issue permits and collect and distribute trust funds proceeds in conjunction with the Office of the Special Trustee (OST) and non-trust funds proceeds in conjunction with the Division of Accounting Management (DAM) (refer to the *BIA Forestry Collections and Distribution Handbook*).
- (3) Approve all permits for the sale of forest products.
- (4) Ensure permittee's compliance with permit requirements.
- (5) Maintain required sale records.
- (6) Consult with the Indian owners in all aspects of conducting a timber harvest program under the auspices of this authority, assist in the development of a *Timber Use Policy Statement*, and approve the policy statement.
- (7) Prepare, develop and submit to the Regional Director the required forest products accomplishment reports.

INDIAN AFFAIRS DIRECTIVES TRANSMITTAL SHEET

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This fourth chapter of the manual documents policies, authorities, and responsibilities required for managing permit sales for the harvest of forest products on Indian forest lands. Minor edit changes correct the previous version. Reissuance will be for five years.

This Chapter replaces 53 IAM 4, Release #03-01, Issued 10/15/03.



FOR

William Pat Ragsdale
Director, Bureau of Indian Affairs

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5. ORIGINATOR			
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6. CLEARANCES						
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OTS Forestry	Assistant Deputy Director, Office of Trust Services	Matt Crain	<i>Matt Crain</i>	8/28/06		
OTS/ Forestry	Deputy Director, Office of Trust Services	Arch Wells	<i>Arch Wells</i>	8/28/06		
DBIA	Director, Bureau of Indian Affairs	William Pat Ragsdale	<i>William Pat Ragsdale</i>	8-29-06		

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