

## Issue Sheet – 2017 Wood Products Development Council

**Objective:** Secure funding for the Wood Products Development Council for SFY 2017-18 with a particular focus on low grade timber markets and the use of conservation easements in enhancing access to forests.

**<u>Rationale</u>**: The Wood Products Development Council was established by law in 2009 and charged with:

- Increasing private investment in working forests;
- Maintaining access to working and family forests;
- Coordinating policy and permitting issues with state agencies, academia and the private sector;
- Working to improve public understanding of and appreciation for forestry and forest products; and;
- Increasing export and market opportunities for New York forest products.

For the past two fiscal years the Legislature has funded the WPDC at \$100,000 per year. To date the Council has addressed a number of pressing issues and challenges facing New York's forest products sector, including but not limited to: forest parcelization and tax law; developing new markets for hardwoods;; promoting New York forest products at both export and domestic trade shows; achieving a new national standard for Norway Spruce as a dimensional construction lumber product; and, integrating our forest products industry into the State's economic development efforts by securing over \$16 million in 28 projects designed to directly support New York's forest industry.

The Wood Products Development Council has become the forum where forest landowners, forest industry, state government and other stakeholders work collaboratively to address the challenges and opportunities that face New York's forestry sector. The Council provides a unique opportunity to have forest industry stakeholders, professionals and practitioners provide direct input and counsel to the state. The group helps identify and address important areas we can work on collaboratively.

**Action Items:** The Legislature has shown leadership in restoring funding at \$100,000 for each of the past two years. We would ask that at a minimum the same level of funding be restored for SFY 2017-18 Budget. In addition, we would ask that there be language should be inserted in the appropriation that specifies 1. A priority for funding market development and research aimed at low grade timber markets across the State and 2. funding the future use of Working Forest Conservation Easements to maintain access to working and family forests.

#### AFFILIATED ORGANIZATIONS

Adirondack Landowners Association • American Forest & Paper Association • Audubon New York • Catskill Forest Association • Cornell University • Empire State Forest Products Association • NY Bioenergy Association • NY Forest Owners Association • NY Farm Bureau • NYS Sustainable Forestry Initiative State Implementation Committee • NYS Society of American Foresters • NY Tree Farm • NYS Urban Forestry Council • Paul Smiths College • SUNY College of Environmental Science & Forestry • The Nature Conservancy of New York • Watershed Agricultural Council •For More Information, Contact: Muriel Church at mchurch@esfpa.org or 518-330-7684



## Issue Sheet-2017 Urban Forestry

**<u>Objective</u>**: To promote the appreciation and understanding within all New York State's cities, towns and villages regarding the environmental, economic and social benefits of each municipality's urban forest and to encourage ongoing planning efforts to ensure a diverse, healthy urban tree canopy and green infrastructure.

**<u>Rationale</u>**: Urban Forestry's management is important to establish and maintain healthy trees for air and water quality benefits, energy savings and environmental healthy as well as to enhance the quality of life for urban residents. Each urban forest also contains businesses, wildlife, waterways, roads, structures and people. Over 80% of all New Yorkers live in urban or suburban communities and their urban forest is likely the forest they are most familiar with. Yet these same residents help shape the public policy affecting all of New York's forests. Sustained healthy urban forests cool cities and save energy, strengthen quality of place and local economies, reduce storm water runoff and create greater storm resiliency while complementing smart growth. Learning the importance of our urban forests also helps New Yorkers to better understand the role that trees and forests play throughout the State.

The quality of life within NYS's cities, towns and villages is greatly improved by maintaining a healthy urban forest. The benefits range from increased property values to shade to slowing storm water runoff can be quantified and assigned a dollar value. Data from the USDA has noted that:

"Property values cam be heavily influenced by the presence of street trees. Houses on a welltreed street have an estimated increase in value of \$8,870 each, and a reduced time on the real estate market by almost 2 days (2). Even just one street tree cam can add an average of \$12,828 combined to the properties within 100 feet."

The care of the NYS urban forest requires dynamic partnerships among federal, state, local and volunteer programs. Some of the government agencies and programs that currently support the development and protection of our urban forests as well as combating multiple destructive invasive species are:

US Forest Service (USFS) NYS Agriculture and Markets NYS Department of Environmental Conservation NYS Environmental Protection Fund (EPF) Municipal Tree Commissions

<u>Action Items</u>: The Council of Forest Resource Organizations is asking for the following assistance: Support full funding of the EPF at \$300 million and including funding of \$1 million under the Open Space Program-Urban Forestry and Invasive Species items.

Support funding for green infrastructure that includes tree plantings and community forests. Encourage municipalities, organizations and residents to promote urban forestry partnership efforts and recognized best management practices.

#### AFFILIATED ORGANIZATIONS

Adirondack Landowners Association • American Forest & Paper Association • Audubon New York • Catskill Forest Association • Cornell University • Empire State Forest Products Association • NY Bioenergy Association • NY Forest Owners Association • NY Farm Bureau • NYS Sustainable Forestry Initiative State Implementation Committee • NYS Society of American Foresters • NY Tree Farm • NYS Urban Forestry Council • Paul Smiths College • SUNY College of Environmental Science & Forestry • The Nature Conservancy of New York • Watershed Agricultural Council • For More Information, Contact: Muriel Church at mchurch@esfpa.org or 518-330-7684



# Issue Sheet 2017 Private Forest Stewardship Cost Share

**<u>Objective</u>**: Increase forest landowner's access to capital to manage and improve forest health and benefits through a stewardship cost share program.

**<u>Rationale</u>**: The overwhelming majority, 75% or 14 million acres, of forests in New York State are privately owned, most by individuals and families. The good news is that the State is benefitting from some excellent, decades old work by the state and land trusts to permanently protect forests through Working Forest Conservation Easements and other means. That said, simply keeping forests as forests is not sufficient to produce the diversity of forest types, age and structure to produce the ecosystem and economic benefits that our forests could generate. Indeed, active stewardship is needed to help restore the ecosystem benefits and sustain the forest economy so important to our state's rural communities.

There are over 200,000 private forest landowners in New York; the majority is family woodlands that have been owned for generations, meaning the future sustainable forest which supports carbon sequestration, clean air and water, storm resiliency and wildlife, as well as a \$13 billion dollar forest economy, lies in their hands. Despite the good intentions of many forest land owners, their ability to face the challenges that face them, and ensure the benefits of forests to all New Yorkers, are limited. Balance between forest health, diversity and economy can be restored but it will take wide-spread, targeted stewardship activities. Landowners throughout the State are lacking markets, tools and resources to implement those activities on the ground.

Not only does the lack of diverse tree species, structure and age affect available habitats for wildlife, but it also affects the forests ability to respond to looming threats, like invasive pests, pathogens and diseases, an uncertain climate future and maximum benefits for carbon sequestration and forest resiliency. Moreover, this effect on forest health is occurring at the same time low-grade forest product markets in New York are shifting and shrinking. That makes it difficult for small landowners who need to harvest trees to improve forest conditions and subsequently reinvest any income gained back into the forest for future improvements.

Action Items: The Council of Forest Resource Organizations would support the following legislative action:

• Establish a private forest stewardship grant program within the EPF to cost share certain qualified forest stewardship practices. CFRO is suggesting that this program start small (e.g. \$500,000) to demonstrate that the program can be successful with private forest landowners and demonstrates substantial public benefit.

Adirondack Landowners Association • American Forest & Paper Association • Audubon New York • Catskill Forest Association • Cornell University • Empire State Forest Products Association • NY Bioenergy Association • NY Forest Owners Association • NY Farm Bureau • NYS Sustainable Forestry Initiative State Implementation Committee • NYS Society of American Foresters • NY Tree Farm • NYS Urban Forestry Council • Paul Smiths College • SUNY College of Environmental Science & Forestry • The Nature Conservancy of New York • Watershed Agricultural Council • For More Information, Contact: Muriel Church at mchurch@esfpa.org or 518-330-7684



### Issue Sheet 2017 Forest Property Taxation

**Objective:** Reform property tax and assessment programs to encourage landowners to maintain their forest land as forest land, and reduce pressures on landowners that may cause parcelization, liquidating and/or converting land to non-forest uses.

**Rationale:** New York has significant forest assets that are privately held and stewarded. Private owners hold 14.2 million acres, 75% of the State's total forest land. Of this corporations own about 2.7 million acres (14%) and family forest owners hold 10.8 million acres (57%) of the State's forest land. An estimated 200,000 family forest owners own at least 10 acres of forest land, totaling 9.3 million acres or 50% of all of New York's forest lands. Decisions that these owners make have significant consequences about the future of New York's forests.

These forests contribute important natural services and economic benefits to our communities, including but not limited to clean water and air, recreation, forest products, and wildlife habitat. Property taxes on forestland in New York State discourage most landowners from making long-term commitments to sustainable forest management. Landowners are too frequently forced to liquidate forest assets to pay for taxes rather than manage the resource to produce a higher valued crop over time and maintain ecosystem services. Only 8 % of New York State's forests are currently protected in the forest tax program. This leaves 92% of all private forests being vulnerable to the subdivision of land and the loss of supply for the industry to sustain operations.

The proposed changes will enable up to 67% of the private forests to be enrolled in forest tax programs, while reducing public costs for the program and lessening the local property tax implications.

Action Items: The Council of Forest Resource Organizations is asking for the following support:

Amend the Real Property Tax Law to establish a new Section 480B which would:

- Lower the threshold for landowner participation from 50 acres to 25 acres (75% of which must be forested);
- Eliminate onerous program requirements that discourage land owner participation and burden the state bureaucracy;
- Eliminate impacts on taxing jurisdictions;
- Unconditionally grandfather existing RPTL 480 and 480A enrollees.



### Issue Sheet – 2017 Forest Health and Sustainability

**<u>Objective</u>**: Modify State policies to protect and improve the health of our publicly and privately owned forests.

**<u>Rationale</u>**: Most of New York's forests are in some stage of recovery from the impacts of humans. In 1880, the year when farm acreage peaked in New York, forest land cover reached a low point of 6 million acres. By 1907 the area of forest land had increased to 11 million acres and by 1953 to more than 14 million acres. Increases in forest land area have continued, though in recent years there has stabilized at about 19 million acres (63% of the State's total land area).

The recovery of New York's forests today has given land managers a second chance to conserve natural habitats and sustainably manage New York's forests into the future. This "second generation" of forests in New York has many positive attributes. With increases in forestland comes a return of ecosystem services provided by forests. It is here that wildlife finds habitat, where the forest industry obtains its raw resource, and from where most of the State's rivers emerge. Most of these forests (Long Island being the exception) also have experienced few naturally catastrophic disturbances (such as fires, hurricanes and droughts) and thus tend to be even aged and maturing. Conversely, we have fewer "young forests" as well as "old growth" forests which provide ecosystem balance in an ideal forest.

Today, there are many threats to New York's forests that have the potential to severely curtail the economic and ecologic benefits. What recovery we have seen over the past century is occurring alongside increases in forest land fragmentation, sprawl, invasive species infestations and adverse impacts on forest regeneration. Since Chestnut Blight and Gypsy Moth in the 1920's, the list of destructive exotic insects and diseases found in New York continues to grow. More recent pests and diseases include, but are not limited to, Emerald Ash Borer, Asian Long Horn Beetle, Hemlock Wooly Adelgid, Beach Bark Disease, Oak Wilt and the list goes on. In fact New York has more invasive forest pests and diseases and more outbreaks than any other State in the country. Invasive plants, changing climate and burgeoning white tailed deer populations are impacting forest regeneration in ways that we cannot accurately predict what our forests will look like in the next 100 years. These threats and others make it challenging to manage "Third Generation" of New York's future forests.

<u>Action Items</u>: To sustain the health of New York's forests, CFRO encourages support for a fully funded Environmental Protection Fund at \$300,000,000 in the Executive SFY 2017-18 Budget Proposal for:

- Open Space protection, particularly working forest conservation easements that support forests and the forest economy;
- Invasive species and the State's network of PRISMS.
- A new EPF line for Hemlock Wooly Adelgid work at Cornell University

CFRO also supports additional funding in the SFY 2017-18 EPF for:

- Two new grant programs under the Empire Forest for the Future Initiative to cost share private forest stewardship and community forests;
- \$500,000 under Agriculture & Markets local assistance budget for Third Generation Forest Research to be conducted by Cornell University and the College of Environmental Science and Forestry.



## Issue Sheet – 2017 Community Forests

**<u>Objective</u>**: Enable municipalities and non-governmental organizations to plan for, acquire and steward community forests relevant to the many ecological and economic issues facing the communities and forest lands.

**Rationale:** Around the nation, yet most exemplified in New England, municipalities are conserving and sustainably managing community forests. Community forests build on the historic practices of "town forests" and "communal lands", but incorporate additional safeguards and principles to create a current model that is relevant to many issues facing the communities and forest land. Fragmentation of forest land, reconciliation of competing uses of forest lands, demonstration of good forestry practices, and the ecosystem benefits of clean air and water, carbon sequestration, healthy forests, mitigating invasive species and pests, recreation, storm resiliency, and water quality, wildlife, and the economics of sustainably managed forests and the self-determination for rural communities represent the most salient of the many benefits that community forests serve.

There are extensive community forests that presently exist in New York. According to the 2012 Forest Inventory Assessment there are over 500,000 acres of municipally owned forests in New York. These range from County Forest lands (42,528 acres in 30 counties), those lands owned by cities (e.g. City of Rome and Glens Falls for the protection of water supplies), Town owned (e.g. parts of the Rome Sand plains in the Town of Trenton) and the largest community forest east of the Mississippi in the Town of Web, to Villages (e.g. Forester Park in the Village of Camden), as well as some owned by school districts, BOCES and SUNY colleges (e.g. College of Environmental Science & Forestry).

This proposal seeks to enhance the ability of municipalities and NGOs (working along with municipalities) to acquire land that provides public access and is managed to provide economic, ecological, educational and recreational community and regional benefits. But owning land is not enough in itself: these lands, both existing today and acquired in the future need to be planned for and managed in a sustainable manner so they can maximize community and regional benefits.

<u>Action Items</u>: The Council of Forest Resource Organizations would support the following legislative actions:

• Amend the Environmental Conservation Law Article 9 (§9-0717) to define Community Forests.

Add a funding line of \$1.5 million in the Environmental Protection Fund for SFY 2017-18 for the purposes of planning for, acquiring and managing community forests.



### Issue Sheet 2017 Environmental Protection Fund

**Objective**: Continue funding the Environmental Protection Fund at \$300 million, discourage the offloading of general fund and local assistance payments into the EPF, and address the long-term pay-as –you-go solvency of the EPF.

**Rationale:** In SFY 2015-16 Governor Cuomo and the State Legislature fully funded the EPF at a record \$300 million. Governor Cuomo, as part of his SFY 2017-18 Executive Budget Proposals, continues the level of funding for the EPF at \$300 million. This level of funding continues New York's national leadership by ensuring the conservation of critical resources for future generations while creating jobs and making our communities more resilient. A 2012 analysis by The Trust for Public Land found that for every \$1 of EPF funds invested in land and water protection, \$7 in economic benefits are generated for New York State. Maintaining the \$300 million appropriation enhances the state's ability to leverage federal, local, and private dollars, and enables communities to seize opportunities to implement programs that will make New York an attractive and healthy place for businesses to locate and for families to live.

The EPF has benefited New York's forests and forest economy in numerous ways including: acquisition of forests in fee and under Working Forest Conservation Easements which sustains forest ecosystem and economic benefits; funding urban forestry which is the most visible forest stewardship efforts to 80% of New York's population who live in urban areas; funding for invasive species which are impacting forest health throughout New York's forests; and promoting sustainable forest stewardship, particularly on public lands.

Sustaining New York's pay-as-you go EPF is not, however, without its challenges. Funding for the EPF has been largely from dedicated revenues derived under real property tax transfer fees and revenues from the Bottle Bill. Achieving a record level of EPF funding at \$300 million has been possible, in part, by using "settlement funds" from major environmental judgment settlements that are not likely to continue in future years. There needs to be dedicated funds to sustain this level of funding in out years otherwise the EPF could lose its pay-as-you go position and either decrease funding or be forced to borrow funds to sustain it at this level.

Over the past few years there has been an off-loading of what previously had been general fund and local assistance payments into the EPF. This year the Governor has proposed making Navigation Law local assistance payments for enforcement out of the EPF which previously had been part of the Office of Parks local assistance budget. This brings off-loads in the neighborhood of \$4 million dollars and takes away from the capital nature of most EPF projects.

Funding for Open Space and land acquisition under the EPF has been going down from a record high of \$60 million to \$40 million in SFY 2016-17 and a proposed \$33 million in the 2017-18 Executive Budget.

AFFILIATED ORGANIZATIONS

Adirondack Landowners Association • American Forest & Paper Association • Audubon New York • Catskill Forest Association • Cornell University • Empire State Forest Products Association • NY Bioenergy Association • NY Forest Owners Association • NY Farm Bureau • NYS Sustainable Forestry Initiative State Implementation Committee • NYS Society of American Foresters • NY Tree Farm • NYS Urban Forestry Council • Paul Smiths College • SUNY College of Environmental Science & Forestry • The Nature Conservancy of New York • Watershed Agricultural Council •For More Information, Contact: Muriel Church at mchurch@esfpa.org or 518-330-7684



While in any given year there may need to be adjustments in EPF funding categories, this trend does not bode well for the future of land acquisitions and easements, particularly outside of the Forest Preserve where sustainable forestry, including timber harvest, can occur.

<u>Action Items</u>: The Council of Forest Resource Organizations would support the following legislative actions:

- Support the Executive Budget proposal for funding the EPF at \$300 million, including additions of funding for:
  - Hemlock Wooly Adelgid project at Cornell University;
  - Source water assessment plans, so long as sustainable forest management is recognized for its water quality benefits; and,
  - Soil & Water Conservation District storm water resiliency plans for private lands so long as sustainable forest management is recognized for its resiliency benefits.
- Oppose the offloading of formerly general fund and local assistance payments under the EPF (e.g. \$2 million for Navigation Law enforcement proposed in the Executive Budget.)

Adirondack Landowners Association • American Forest & Paper Association • Audubon New York • Catskill Forest Association • Cornell University • Empire State Forest Products Association • NY Bioenergy Association • NY Forest Owners Association • NY Farm Bureau • NYS Sustainable Forestry Initiative State Implementation Committee • NYS Society of American Foresters • NY Tree Farm • NYS Urban Forestry Council • Paul Smiths College • SUNY College of Environmental Science & Forestry • The Nature Conservancy of New York • Watershed Agricultural Council •For More Information, Contact: Muriel Church at mchurch@esfpa.org or 518-330-7684



### Issue Sheet – 2017 Empire Forests for the Future

**<u>Objective</u>**: Advance the proposed Empire Forest for the Future Initiative in the 2017 Budget and Legislative Session.

**<u>Rationale</u>**: The Council of Forest Resource Organizations was excited to see the Governor's proposal for the Empire Forest for the Future (EFF) Initiative included in his State of the State message. The Initiative supports private forest land owners, reduces the risk of conversion of forests to non-forest uses, and prevents unsustainable forestry practices. The challenge now is for all interested parties to determine how to execute the initiative when no appropriations for the implementation of the EFF were made in the 2019-2018 Governor's Executive Budget.

EFF is an encouraging follow-through on the Governor's 2015 State of the State message which included: "In order to promote the growth of the sustainably harvested wood products industry in New York, DEC, DAM, and ESD, as the State's representatives on the Wood Products Development Council, will bring together stakeholders from forestry management companies, environmental groups, government agencies, and private landowners to discuss the opportunities and challenges the industry faces and ways the State can contribute to the industry's advancement, including by reforming the current property tax incentive program (480-a Forest Tax Law). The goal will be to increase sustainable production from the forest product industry in New York while preserving open space." (January 21, 2015)

The Governor's EFF Initiative would:

- 1. Fix the property tax shift associated with the current RPTL 480A where such taxing jurisdictions are impacted.
- 2. Create a new RPTL 480B which would:
  - a. decrease the required eligible acres from 50 acres to 25 acres;
  - b. Expand the eligible acres of forest and related lands (e.g. steep slopes, water bodies, wetlands, etc.);
  - c. Provide financial relief to those taxing jurisdictions impacted by the new 480B program.
- 3. Create two new grant programs; one for private forest land stewardship and one for community forests; and
- 4. Create a state procurement preference for New York Wood products.

These four elements of the Governor's EFF Initiative are 3 of the seven priorities for CFRO in 2017. We have also worked with 24 national, State and regional stakeholders in this proposal and offer the letter recently signed as part of our comments.

While the Governor has proposed and the Legislature is considering billions of dollars in source water protection funding and infrastructure upgrades; there is no bigger landscape scale benefit, nor larger return on investment for the protection of water quality than a modest \$6 million investment into New York's forests through the EFF.

**Action Items:** Secure funding for the EFF in the SFY 2017-18 Budget to avoid a conundrum when the Legislature and Governor consider a departmental or program bill outside of the budget, which is routinely unsuccessful. In order to provide a path to passage and enactment of EFF outside the Budget, we would ask the Governor and Legislature to consider an amendment to the AIM formula which fixes the existing 480A fiscal impacts on taxing jurisdictions and provides a clear path as to how a new 480B program would be addressed in SFY 2018-19. The Governor and Legislature could also advance the proposed two new grant programs within the \$300 million EPF for SFY 2017-18. Doing so would not only have economic benefits to New York's forest economy but would advance a host of ecosystem benefits from climate change to water quality.



# Issue Sheet – 2017 CFRO Budget Requests

**Objective**: Continue and enhance public funding that enables procurement, conservation and stewardship activities critical to the success of the forest products industry and private forestland owners throughout New York State.

**<u>Rationale</u>**: New York's forests are an economic engine, creating jobs and generating revenue through the timber products and recreational opportunities they provide. Our forests also provide clean air, clean water and carbon sequestration benefits to all New Yorkers.

A significant portion of New York's forests are privately held and stewarded. Private owners hold 14.2 million acres, or 75% of the state's total forest land. These owners include an estimated 200,000 family forest owners who hold about half of the state's forests, and corporations who hold about 14%. Decisions made by these private landowners have significant consequences for the future of New York's forests.

State funding is needed to support forest landowners and forest land managers as they work to combat invasive species, manage forest lands sustainably, and work to maximize the ecosystem services their lands provide to all New Yorkers, including wildlife habitat, carbon sequestration, resilience and water quality improvement.

There are significant challenges facing our forests in New York. In suburban and exurban areas our forests are at risk of conversion to development. With our state being a global crossroads for invasive species, our forests are a risk from species like Hemlock Wooly Adelgid, Asian Long horned Beetle and Emerald Ash Borer which once introduced are hard to prevent from spreading and can have devastating consequences on our trees in urban and rural areas alike. Private forest landowners are too frequently forced to liquidate forest assets to pay for taxes rather than manage the resource to produce a higher valued crop over time and maintain ecosystem services.

By continuing and growing targeted state investments in programs that conserve forests, allow municipalities to support forest conservation, and assist private landowners with conservation and stewardship activities, we will ensure the long-term sustainability of our forests, and the industries that rely on them, employing nearly 100,000 New Yorkers and generating \$23 billion in economic output.

Action Items: The Council of Forest Resource Organizations supports the following legislative actions:

### 1. Environmental Protection Fund

- Support the Executive Budget proposal for funding the EPF at \$300 million
- Within the \$300 million EPF, support appropriations for the open space conservation program including funding for working forest conservation easements and the urban forestry program; and the invasive species program including the state's network of regional invasive species management partnerships



- Within the \$300 million EPF, make additional appropriations for:
  - \$500,000 for the Hemlock Wooly Adelgid project at Cornell University
  - \$500,000 for a new private forest stewardship program and \$1.5 million for a new community forest program to be created as envisioned in the Empire Forest for the Future Initiative outlined in Governor Cuomo's State of the State.
- Ensure that within the \$300 million EPF the proposal to fund Source Water Assessment Plans and Soil and Water Conservation District Resilience Plans for private farmlands include sustainable forest management as a qualified and fundable activity.
- Reject "Navigation Law" proposal within the EPF, which is an "offload" of local assistance payments previously paid for with the General Fund.
- 2. Include in the Agriculture and Markets Local Assistance Budget:
  - \$250,000 for the Wood Products Development Council; and,
  - \$500,000 for a 3<sup>rd</sup> Generation Forest Research Project by Cornell University and the SUNY College of Environmental Science and Forestry.
- **3.** Update the **Aid and Incentives to Municipalities (AIM)** funding calculations to ensure that local governments experiencing a tax shift of 1% or more from private forest lands enrolled in the timber tax abatement programs authorized in Real Property Tax Law §480 and 480a are receiving a reimbursement based on current enrollment.
- 4. Amend the Environmental Conservation Law Article 9 (§9-0717) to define Community Forests.