

THE TOP TEN FAMILY FORESTRY ISSUES FOR 2019

Since 1986 NWOA has ranked the top ten family forestry issues with an annual vote by the leaders of the 42 state affiliates—the Alliance of Landowner Associations. NWOA is the only national organization to undertake such an annual ranking. It is used to set our annual objectives and work plan in Washington, DC. Some of our state affiliates use a similar ranking system to set their annual goals as well.

Family woodland owners own half of all the productive woodlands in America. NWOA's mission is represent their private interests in Washington, D.C., while providing understandable, reliable and continuous information to make informed decisions in the care and management of their woodlands.

#1 **MARKETS: TIMBER, BIOMASS & INDUSTRY VIABILITY**

NWOA Objectives:

- Recognize and support new markets and protect existing markets for forest products.
- Support Industry Viability and Training for Forestry Workers and Drivers.
- Work Toward a Renewal of the Canadian Softwood Lumber Agreement and the U.S, Mexico, Canada Trade Agreement.
- Expand Biomass Markets for Low Quality Timber.

Results in 2018:

For the third year in a row, Markets remain the #1 issue with woodland owners. In many regions of the U.S. log stumpage prices reached all time, or near all-time highs, even when adjusted for inflation. Part of this is credited to reduced trucking costs (mostly fuel) and efficiency of loggers. Investments in new wood pellet mills, especially in the south, are leading to improved prices for low quality wood. As the year ended prospects appeared favorable for approval. New tariffs imposed by the Trump administration on steel and aluminum drew counter tariffs, especially from China. As the debate continued, timber and forest products became involved. NAFTA was discarded, but negotiations produced a replacement U.S., Mexico, Canada Agreement (USMCA) that awaits approval from Congress.

The Canada-U.S. softwood lumber dispute has become one of the most enduring trade disputes between both nations. The Softwood Lumber Agreement reached in 2008 which provided stability and predictably for both sides expired in 2015. Canada is the largest wood trading partner. Talks continue for a new softwood lumber accord aimed at restoring the stability of the previous agreement.

Outlook for 2018:

The specter of worldwide disputes in trade poses serious concerns far beyond markets for timber and wood products. There is widespread agreement that free trade with minimum subsidies, product dumping, and security is a worthwhile, even necessary, goal to maximize markets on all products.

#2 **EXTENSION EDUCATION & SERVICE FORESTRY**

NWOA Objectives:

- Work with the affiliated state landowner associations to build nationwide recognition and support for Forestry and Natural Resources Extension Programs and Service Forestry provided by state forestry agencies.
- Work with Senate and House members and committee to support sound federal appropriations for Natural Resources Extension (RREA) and the Forest Stewardship Program (which provides funds for Service Foresters). Collaborate with the national associations in the Forestry Network in Washington D.C. to provide additional support.

- Encourage every independent affiliated state landowner association to develop good working relationships with the University Deans that administer state and federal extension programs.
- Encourage every independent affiliated state landowner association to partner with state forestry agencies in promoting service forestry, wildfire, cost share, and forestry inventory.
- Provide support to the Natural Resources Conservation Service, the Farm Service Agency, and the National Association of Conservation Service to provide access to conservation and cost share programs.

Results in 2018:

A clear measure of how much woodland owners appreciate service forestry and natural resources extension education programs is expressed by vote of the affiliate associations to bring this issue up from #5 to #2. In December, the National Association of Foresters (NASF) and NWOA signed a multi-year Memorandum of Understanding (MOU) in recognition of our long term partnership in promoting and supporting Service Forestry as well as other programs including wildfire, marketing, forest inventory, water quality and others.

Outlook for 2019:

The fact that Extension Education and Service Forestry jumped from issue #5 to #2 in just one year is an indication that woodland owners are finding it more difficult to schedule a visit from a Service Forester. State forestry agencies make the decisions of how to spend their resources. Positive feedback from woodland owners on the usefulness of those Service Foresters will help. The same can be said for Extension Foresters. There is a trend of moving them from county locations back on to university campuses where their duties may include teaching and research. This can reduce the ability to reach woodland owners with classes and visits in the field. Reductions proposed for Forest Stewardship program in the 2020 federal budget must be restored by Congress.

#3 INVASIVE SPECIES AND FOREST HEALTH

NWOA Objectives:

- Support funding for research, technology transfer, and education programs that help landowners recognize and control invasive species.
- Report latest information in National Woodlands focusing on one of the four Forest Eco-zones in each quarterly issue.
- Maintain current cost share programs control invasive species.
- Support Extensive Education programs to help landowners recognize invasive species.

Results in 2018:

The trend of global warming and weather extremes intensified in 2018. A slow northern migration of plant and forest species has been documented along with long term trends. This is evident in the decline of forest health in many locations along with the appearance of new invasive species. Millions of forested acres are showing evidence of drought stress and dieback. NWOA is one of the founding members of the Coalition Against Forest Pests (CAFP). The purpose of the Coalition is to provide reliable information to members of Congress and others about imported forest pests (plant and animal), to help mitigate the impacts, and restore healthy forest ecosystems.

Outlook for 2019:

Invasive Species and Forest Health remains the #3 priority among woodland owners for 2019. In spite of significant efforts nationwide to control their spread, the Emerald Ash Borer has virtually eliminated white and green ash trees throughout most of the U.S. and is now into Canada. Research efforts to develop effective controls have had very limited success but continue. Programs to control oak dieback, bark beetle infestations, and hemlock woolly adelgid are ramping up and reporting limited success.

#4 INCOME, ESTATE & PROPERTY TAXES

NWOA Objectives:

- Watch for new federal or state tax proposals that affect woodlands.
- Monitor the important tax provisions enacted by Congress in 2018: including capital gains tax rates for timber, recognition of forestry expensing, maintenance of the stepped up cost basis at time of death, and elimination of inheritance taxes for all but the largest estates.
- Property Taxes: This is a matter of state law and county tax assessments. A state affiliates are urged to monitor state and local tax proposals, especially those that target current favorable lands-use property tax rates.

Results in 2018:

The impact of the Tax Cuts and Jobs Act of 2017 which became law on January 1, 2018 is a subject of continuing controversy, but it contained all of NWOA's objectives outlined above. Several state legislatures addressed income tax issues in 2018. Although some of the state proposals could have raised taxes on timber, none appear to have been enacted.

Outlook for 2019:

Concern over the issue of Income, Estate & Property Taxes moved from #2 in 2018: to #4 in 2019. NWOA

believes that this reduction of only two places is positive evidence of the continuing importance of tax laws on the success of the sustainable practice of family forestry.

#5 THE RIGHT-TO-PRACTICE FORESTRY & REGULATORY CREEP

NWOA Objectives:

- Watch for any new federal legislation and regulations that might impact property rights.
- Encourage every state landowner association to enact comprehensive “Right-to-Practice Forestry” laws, and monitor them for loopholes and any new actions that might weaken them.
- Urge state associations to be alert for regulatory creep involving state and county management regulations. This can involve lowering haul weights on bridges, time of day work restrictions, and objection to specific forestry practices (clearcutting and others).

Results in 2018:

There were no new federal laws or regulations that affected and management options for woodland owners. There were two proposed state/local regulations that were defeated or reached a reasonable compromise. This issue moved up from #6 last year to #5 in 2019.

Outlook for 2019:

The upswing in construction of new subdivisions in previously rural areas increases the likelihood of objections from new members of the community to nearby forest practices. Much of the new development is in fringe suburban landscapes where family owned woodlands are prevalent.

#6 STEWARDSHIP INCENTIVES: COST SHARING & TAX CREDITS

NWOA Objectives:

- Support Cost Sharing when available that also provide public benefits including water quality, timber jobs, and control of invasive species.
- Support the use of Conservation Tax Credits authorized in the 2015 Conservation Tax Credit Law to keep family woodlands intact by donating the development rights and reduce property taxes.

Results in 2018:

Although there was a concern that donations to reduce tax liability would be limited as a result on the new federal tax law in 2018, this has not happened. Federal tax credits for Conservation Easements can be used to deduct the amount of taxable income on federal taxes, and in some states as well.

Outlook for 2019:

Since the Conservation Tax Credit was enacted, tax schemes known as Syndicated Conservation Easements have appeared offering overvalued and questionable tax benefits. NWOA is a member of the Land Trust Alliance that has called attention to these abuses. In March the IRS announced at new transaction report to identify the use of these syndicated easement schemes. The use of legitimate conservation credits to protect family woodlands is well documented, successful and encouraged.

#7 KEEPING FORESTS AS FORESTS

NWOA Objectives:

- Identify and describe the benefits to society in Keeping Forests as Forests including clean water, timber supply, jobs, habitat for wildlife, and natural beauty.
- Promote the benefits of Landscape Management Planning for woodland owners.
- Provide a working forest land base to encourage a reliable market for forest products.
- Use of the widely Certified Forestry Programs to assure quality sustainable forestry practice.
- Use of professional foresters, especially those who are NWOA members with an interest in family forestry and listed in www.findaforester.com.
- Use accredited and trained loggers, many of which are listed in www.findalogger.net.

Results in 2018:

Regional landscape planning is occurring in many states with good results. Objectives include wildlife corridors, quality of watersheds, identification of lands committed to forestry as a supply source for mills, transportation network, tourism, and preferred locations for housing and town sites.

Outlook for 2019:

“Keeping Forests as Forests” is a concept that describes efforts throughout America to address land parcelization (breaking larger tract into smaller lots), fragmentation (effect of breaking forest cover into disconnected units), and maintaining wildlife habitat. Also involved is water quality and supply, maintaining a wood source for mills, and issues. Family woodland owners are involved because they own nearly half of the private woodlands in the U.S. Professional foresters who are NWOA members are listed on www.findaforester.com. There is also a listing of accredited and trained loggers available in some states on www.findalogger.com.

#8 WATER QUALITY & QUANTITY

NWOA Objectives:

- Encourage state and federal agencies to provide incentives of good watershed management.
- Support 95% voluntary compliance with Best Management Practices when logging.
- Identify emerging markets and incentives to produce clean water.

Results in 2018:

In 2017 when the U.S. Supreme Court upheld the silvicultural exemptions in the Clean Water Act, but it did not stop lawsuits alleging water pollution from logging roads being filed. While the roads issues have been largely resolved, there remains a considerable concern over the definition of the Waters of the U.S. (WOTUS) adopted by EPA in 2015. In 2017 the EPA proposed a new definition that significantly reduced the amount of streams and wetlands under federal jurisdiction. Hearings on the new definition of the waters and wetlands to be regulated continued throughout 2018.

Outlook for 2019:

On February 14, the EPA and the U.S. Army Corps of Engineers issued their proposed revision to the 2015 definition of the waters of the United States. A public response period followed which brought forward extensive critiques scientists and conservation organizations. Many were published by the Environment & Energy report covering end of the day news on Capitol Hill. Responses to the new regulations and their impact on forestry are led by the National Alliance of Forest Owners (NAFO) of which NWOA is a member.

#9 WILDFIRE MANAGEMENT, FUNDING & CLIMATE

NWOA Objectives:

- Wildfire Management involves many issues including the emerging trend toward warmer and extreme weather, the widespread problem of overstocked forests, continuing development of homes within the Wildland Urban Interface (WUI), use of prescribed fire, application of Fire Wise activities around structures, invasion of highly flammable plant species, and the use of earliest possible detection followed by prompt and successful initial attack.
- Continuing support the wildfire funding fix in the Consolidated Appropriations Act of 2018.
- Increased training and involvement of Rural Fire Protection Districts in the National Incident Command system.
- Work with state forestry agencies to help woodland owners implement the principles of Wildfire Management.

Results in 2018:

By far the most significant accomplishment in 2018 was the passage a permanent wildfire funding fix within the omnibus legislation signed March 23, 2018. The extensive wildfires of 2018, especially the Paradise Fire in California, ushered in a new and dangerous potential for wildfires in the future. While the largest and most destructive wildfires occurred in the western states, they also happened in north, south, and eastern states.

Outlook for 2019:

The continued events of extreme weather, along within the continuing drought in the west, is likely to result in another serious year for wildfire. The permanent wildfire funding fix achieved in 2018 after many years of effort should allow a broad range of wildfire management described above.

#10 WILDLIFE MANAGEMENT

NWOA Objectives:

- Monitor reports documenting damage to hardwood reproduction from overpopulation of deer.
- Report on successful alternatives to control damage from deer and feral hogs.
- Share new techniques to protect seedling plantations from wildlife grazing.
- Monitor changes in state landowner liability laws related to hunting.
- Monitor federal listings of endangered species that affect landowners.
- Report on use of hunting leases to pay for property taxes.

Results in 2018:

Wildlife Management is new to the Top Ten Family Forestry Issues. It replaces Forest Certification which is now addressed in Keeping Forests as Forests. Interest and concern over wildlife issues has been growing and is large enough to be considered a separate issue. All wildlife is publicly owned and is managed by state fish and wildlife agencies with participation of local, state and federal law enforcement. Management practices are guided by sound science with political implications involved in setting public hunting seasons and regulations. Federal agencies administer endangered species populations.

Outlook for 2019:

Several of NWOA's affiliated state landowner associations are active in addressing the forest regeneration issues resulting from the overpopulation of deer. The noteworthy efforts of the New York Forest Owners Association (NWOA Affil.) are reported on page 32 of this magazine.