

Testimony of Susan Benedict

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On behalf of the American Forest Foundation

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Mr. Chairman, Ranking Member Fudge, Mr. Vice Chairman, members of the Subcommittee, thank you for the opportunity to testify before you today regarding the upcoming reauthorization of the Farm Bill.

I'm a Tree Farmer from central Pennsylvania, where my family and I own 2087 acres of forestland in the headwaters of the Chesapeake Bay.

I'm also here on behalf of the American Forest Foundation (AFF), a non-profit forest conservation organization helping the nation's 22 million family forest owners care for our land and continue to provide the clean air and water, wildlife habitat, and wood products that all Americans benefit from. AFF also operates the American Tree Farm System[®], which my family is a part of, you have probably seen the green and white sign on the side of the road. ATFS is the nation's oldest and largest sustainable family woodland system in the world with some 74,000 landowners who own 20.5 million acres participating in the program. It provides woodland owners with the assurance that we're practicing good forestry and provides people that buy our timber the assurance that our forests are managed to the highest of standards.

AFF co-chairs the Forests in the Farm Bill Coalition, alongside the National Association of State Foresters, the National Wild Turkey Federation, and The Nature Conservancy. This Coalition, with a diversity of landowner, industry, forestry, and conservation interests, is currently developing detailed Farm Bill recommendations for your consideration. The Coalition has identified five key issues for the next Farm Bill in a letter to the Subcommittee. Most of the Coalition's issues are consistent with my testimony. I'd like to ask that this letter be inserted into the hearing record.

My Story

Our land has been in our family for 3 generations and I'm hopeful we can make it 5 when we pass it to my children and grandchildren. Keeping our land in forest and ensuring it is well managed is important to me and my family but it's also important to my community and the millions of people that rely on the Chesapeake Bay watershed for their clean water.

Our woods are also home to a number of at-risk or declining wildlife including the golden winged and cerulean warblers and the timber rattler.

Our woods also support our local rural economy. To help us manage our woods, we directly employ a consulting forester and four loggers. We harvest timber annually. We also have both a wind farm and a natural gas lease on our property, which of course supports the local economy and provides our family with income.

Taking care of our woods requires money. Even though we regularly harvest timber and lease the land for energy, this income is often not enough to pay the taxes let alone pay for management. We regularly must put money into maintaining our 8 miles of roads and into management practices necessary to keep the deer herd in check, so our trees survive. Additionally, the conservation practices, like managing for the at-risk wildlife noted above, also cost money.

Our timber markets aren't what they used to be. We used to have five mills that bought our wood, now we only have three. The remaining mills are a good distance from our woods, so hauling costs cut into our margins. These remaining mills, which now take the wood of the closed mills too, often have gluts of wood that suppress our prices further. Because of the loss of mills, finding loggers to do the work is very difficult because many can't afford the equipment.

On top of these challenges, landowners have significant risks that we can't plan for. Our land was hit in 2006 and again in 2008 by gypsy moth, which then triggered root rot and destroyed over \$1.2 million worth of timber. We are now dealing with the Emerald Ash Borer. Timber insurance is just too expensive, so these are uninsured losses we will never recoup. We also can't take a loss for tax purposes because it's naturally regenerated timber with no tax basis. Essentially we lost a generation's retirement and have no way to recover it.

This is why Farm Bill conservation programs are so important for woodland owners like me. We enrolled our family land in the Conservation Stewardship Program (CSP) in 2005. Because we were struggling financially to cover the costs to manage our land well on top of covering "life's costs" like health insurance, we decided CSP was the right program for us. It rewarded us for the good stewardship we were already doing, helped defray some of our management costs, and encouraged us to do more. I recognize we can't provide this support to every landowner all the time, but it helped us get through some hard times when we weren't sure if we were going to be able to keep all the land that had been in our family for so long.

Additionally, the Environmental Quality Incentives Program (EQIP) has helped my family out. With EQIP funds, leveraging our own, we were able to afford what's called a "crop tree release" which removes competing trees, allowing desirable trees to flourish. This benefits both wildlife and our oak regeneration.

In my day job, I'm an accountant and my husband is recently retired. We care passionately about keeping this land and managing it well for all the benefits for our family and our community. However, sometimes, we can't afford managing it without some help.

My story is not unique. I'm one of the 22 million people across rural America who like my family, own and care for woodlands. Families own more than one-third of the forests in the U.S., more forests than what's owned by the federal government or by private companies. And our families work hard every day to pay the taxes, stay on the land, and continue to provide all the many benefits we and our rural communities thrive on—the jobs, wood products, clean water and air, wildlife habitat, and places to hike, hunt, and fish.

What Challenges do Family Woodland Owners Face Today?

Recently, AFF conducted assessments in the West, South, and Northeast to determine the biggest issues facing family woodland owners and threatening the water, air, wildlife and wood that comes from our land that every American, thousands of businesses, and millions of rural jobs rely on.

While every piece of land is unique, AFF found some recurring themes.

In the West, we found that wildfire is the biggest challenge. Often, when we think of wildfire in the West, we think of public lands. AFF's analysis found that more than one-third of the western lands with the highest wildfire risk—covering an area the size of the state of Kansas—are owned by families and individuals. While wildfire threatens homes, lives, wildlife, and much more, AFF found that wildfire risk on family and individual lands threatens the water supplies of nearly 22 million Americans in the West. Given the pattern and frequency of drought across the West, this poses grave risk to major cities, rural communities, agriculture, and many other businesses.

Why aren't more landowners doing something about this wildfire risk? We found landowners are motivated to act, they know the risks, but there are two major barriers standing in their way: the cost of treating their land can be in the thousands per acre and the worry that even if they act, if their neighbors, including their public land neighbors, don't act, then their work is for nothing.

The Farm Bill can help address these issues—and is already. NRCS and the USFS, through state forestry agency partners, can provide technical and financial assistance to help leverage the money that landowners put in, to treat their land.

But there will never be enough government funding to fully solve this problem, so we need other solutions too, including markets for the wood coming from these lands. Because many of the mills have disappeared across the West, landowners have little outlet to sell their trees and cover at least some of their treatment costs. The Farm Bill can help support markets.

In the Northeast and South, we found a different story. We found that one of the biggest issues facing family woodland owners was wildlife—in particular the growing number of species that are either already listed or could be listed in the near future.

In the South, for example, we could see more than doubling of the number of forest-dependent wildlife listed under the Endangered Species Act. These wildlife are not at risk because of forestry, but because they rely on forests for their habitat, family woodland owners could face additional regulatory burdens if these wildlife are listed.

We found that some 35 million acres of important wood supply on family lands in the south also happens to be habitat for these at-risk wildlife. So the south's wood supplies could also be impacted by addition species regulations. Since families supply more than 50% of the wood harvested in the south to feed mills, this could have serious implications on the south's rural, forest-based economies.

When we talked to landowners, we found that in fact, we can manage for wood and wildlife. We found that landowners that harvest timber are doing more for wildlife than landowners that aren't.

In the Northeast, the story is slightly different. There are about 36 wildlife species that rely on forests that are at-risk and could face listing, impacting significant amounts of family lands in the northeast. But in the Northeast, our forests are facing a "midlife crisis." For a variety of reasons including historic land management and lack of markets, we are lacking younger forests and older forests in the region but

have a prevalence of “middle aged” forests. Again, not a consequence of today’s land management, but something that today’s landowners, many of whom own their land for wildlife benefits, are faced with.

Because my family has been fortunate to work with foresters and do the management mentioned above, our land doesn’t face this problem—we have diverse wildlife habitat. But we are unique—only 20% of woodland owners are working with a forester or professional, meaning most don’t know the value of active management.

Landowners, across the board, want to manage for wildlife. In fact 85% cite wildlife as the top reason for owning woodlands in the first place. The same is true for my family—we value our woods for the income as well as the opportunity to hunt, hike, and fish on the land. We want to be part of the solution, but need voluntary tools, to help us do so.

Similar to the situation with wildfire, markets for timber, that help defray the cost of management and encourage harvesting that helps create younger forests, will mean better habitat for wildlife in the Northeast.

So again, the Farm Bill can help with this. Providing technical and financial assistance and programs and policy that support markets, will help landowners tackle these challenges and have the added benefit of supporting the rural economy. In partnership with the US Fish and Wildlife Service, these programs should also provide landowners with regulatory assurances that protect them from future regulation if the species they are managing for is listed under the Endangered Species Act.

While families like mine want to do our part to supply the nation with the wood we all consume, the air we breathe, the water we drink, and the wildlife we all hunt and fish, we need some help. We want to support our rural communities and make them both economically viable and enjoyable places to live, but we can’t do it alone.

2018 Farm Bill Priorities

While the issues in the regions are somewhat different, the solutions are similar. I’d like to ask you’re your help in five key areas today. I know others on the panel will talk about other forest priorities, so I’ll focus on topics that uniquely help family woodland owners and the challenges we face. Also, we have not yet finished gathering feedback from our landowners, so this may not reflect a complete list of priorities for family woodland owners.

Maintain Funding and Support for Woodland Owners in Forestry and Conservation Programs

We know that budgets are tight. For those programs that need reauthorization in the next Farm Bill, we ask that you prioritize funding for the Environmental Quality Incentives Program, the Conservation Stewardship Program, and the Conservation Reserve Program, which provide support for woodland owners. In the last several Farm Bills this Committee made changes to these programs to allow forest owners to participate. We greatly appreciate these changes and hope you’ll maintain these improvements while also further expanding the use of these programs for forestry.

We also ask that you consider funding the Healthy Forest Reserve Program, or other strategies to help address the growing at-risk wildlife concerns.

Additionally, we strongly support the Regional Conservation Partnership Program and authorities that encourage targeted application of conservation program funding to priority landscapes to achieve measurable outcomes. While individual landowners taking action is important, if many landowners in a landscape take action, our individual actions are amplified. For example, if I implement a wildlife habitat practice and my neighbors do the same, our combined action can reduce the need to list species because we're providing sufficient habitat. This helps all of us.

Improve Technical Assistance and Program Implementation for Woodland Owners

The Agencies should be applauded for having made significant progress including forest owners in these programs. However, we still have challenges with forestry technical assistance and program implementation as they apply to woodland owners. Tackling these challenges will result in more efficient delivery of program resources in ways that increase the benefits produced on issues like those mentioned above: wildfire, water quality and quantity, and at-risk wildlife habitat.

Forestry technical assistance and program implementation issues include:

- Education and technical assistance, not tied to specific EQIP or CSP contract, is limited. Woodland owners often need significant help up front, before they can be ready to talk about EQIP or CSP practices. Most landowners don't even know they need to be managing their woods, let alone how to get a plan or implement a practice. Conservation Technical Assistance funding is a key precursor to efficient and effective implementation of Financial Assistance such as EQIP or CSP. NRCS staff is challenged to fill this roll, suggesting that additional resources be allocated to provide the necessary capacity, whether within NRCS or through a partner.
- NRCS forestry expertise is limited, forestry partnerships needed. Some states have NRCS forestry experts on staff, others do not. As a result, not all forestry practices are informed by forestry experts. Stronger partnerships with state forestry agencies could help fill this gap. In some states, NRCS has contracted with the state forestry agency to deliver forestry assistance, a collaboration that should be encouraged.
- Technical Service Providers are limited and focus on already managing landowners. While TSPs can be a great solution to getting more forestry assistance delivered, the incentive for TSPs to engage new landowners and to target landowners with the most need is limited. Often, TSPs are private consultants who rightly need to make a living. There is little incentive for them to work with landowners who aren't already engaged and paying clients. There is also little incentive for TSPs to focus their effort on the highest priority lands. Consideration should be given to streamlining the TSP program itself and focusing resources on partnerships with state forestry agencies and other partners for the initial work to engage landowners.
- Most NRCS staff are tied up in getting contracts out, with little time to focus on outcomes. Because NRCS staff are pressed to get their funding out each year and have limited time to do so, there is little time for NRCS to focus on helping landowners who own lands that will accomplish the most significant outcomes. They often must focus on those contracts that come in the door rather than those contracts that have the most impact.
- Forest Management Planning recognition still a challenge. The US Forest Service and NRCS, along with state foresters and conservation districts have worked together to develop a shared template for forest management planning, so landowners don't need multiple plans to participate in various federal and state programs. While about half of the states have adopted mutual plan recognition, there is still more work to be done to streamline forest planning.

- Paperwork and process are difficult. Most forest owners aren't used to working with NRCS or FSA and even those landowners that are very astute have difficulty working through all the steps necessary to participate in a program. Often landowners must turn to the Agencies to fill out their paperwork, an inefficient use of agency resources. We must find ways to streamline this process.

To solve some of these challenges, AFF has been working alongside NRCS and many partners including state foresters and the National Wild Turkey Federation, in targeted landscapes, to reach woodland owners, educate them on the need for active forest management and get them access to technical assistance and planning assistance. The idea is to get many landowners engaged, interested in management, and if and when they are ready to implement practices, NRCS can then work with them to develop a contract. This work is highly targeted, focused on lands with the best opportunity to deliver on water, wildlife, or other goals. But this is the exception, not the rule, and funding for this work is limited. Aligning resources with this important up-front work with landowners will enhance the important conservation outcomes achieved through financial assistance.

While we don't have all the answers, we ask the Committee to work with us to solve these issues.

Support Cross-Boundary, Landscape Scale Efforts to Tackle Forestry Issues, Especially Wildfire

As mentioned above, all landowners will be better off if we aren't the only ones in our landscape that are tackling these issues. Whether we're trying to reduce wildfire risk or protect at-risk wildlife populations and avoid listings, because forests are often a patchwork of small parcels and different public and private ownerships, it won't be enough if just one or two landowners in a landscape are managing. New tools for USDA agencies are needed, so they can more efficiently work across ownerships boundaries, in targeted landscapes and with willing landowners, to address these issues. We ask that the following new tools be included in the next Farm Bill:

- Landscape-Scale Restoration Program: currently the US Forest Service, using a patchwork of Congressional authority, is implementing a Landscape-scale Restoration Program in partnership with state forestry agencies. This program is targeting landscapes identified in state forest action plans and wildlife action plans, helping improve management on both public and private land, in a way that measurably addresses key outcomes. Rather than just working on one parcel here or there, this is allowing the agencies to scale the work needed to the scale of the problem. We ask that you clarify and create permanent direction and authority for US Forest Service and state forestry agencies to continue this work and to carry it out in partnership with NRCS and FSA, including with the Regional Conservation Partnerships Program.
- Cross-Boundary authority in USFS Hazardous Fuels Program: currently, the US Forest Service has limited authority to work with nearby landowners, when doing wildfire mitigation work. With the patchwork of public and private lands in the West for example, to fully protect communities, water supplies, and homes and lives, work is needed on all these lands, not just the federal lands. Expanding the US Forest Service ability to work with adjacent landowners will better enable the scaled wildfire mitigation that's needed. Our intention is not to reduce funding for work on federal land but as funding increases for hazardous fuels, to proportionately more funds to be used on private lands.

Provide Support and Regulatory Assurance for At-Risk Wildlife

In addition to the above mentioned program improvements, there are two important policy improvements that we believe will significantly increase landowners ability to manage for wildlife, especially at-risk wildlife, to avoid the need for listing.

- Increase tools for prescribed burning. Often, to maintain habitat for wildlife, especially in forests in the south like longleaf and shortleaf pine ecosystems that are home to significant at-risk wildlife populations, prescribed burning is necessary. Unfortunately, even as we're seeing increased interest in restoring these habitats, landowners are not conducting the burning that's needed to maintain and improve the habitat long-term. While liability insurance is certainly an issue, the biggest barrier is lack of burning professionals that can do the work. We ask that you consider new approaches to help tackle this barrier.
- Provide landowners with regulatory assurance. As noted above, landowners want to manage for wildlife, we want to do the right thing, but often lack the tools and assurance that we won't face future regulations. NRCS has been working with the US Fish and Wildlife Service to provide landowners in some instances with such regulatory assurances if they are participating in NRCS programs. We see significant opportunities for expansion of this work to provide landowners who undertake conservation actions, with protection from further regulatory burdens for both listed and at-risk wildlife. The Healthy Forests Reserve Program offers safe harbor protections and could be expanded and other programs could adopt similar protections.

Support a Strong, Diverse Forest Products Industry

As noted above, markets are essential for landowners, good management, and growing rural jobs and rural economies. Landowners need a diversity of markets to sell their wood into: markets for high quality trees on their land and markets for low-grade pulp wood and residual tops and limbs.

Markets can be one of the biggest tools for tackling the wildfire and wildlife challenges noted above. For example, in the West, if landowners had more opportunities to sell low quality wood, more landowners would be able to reduce their wildfire risks. In the Northeast, as pulp-wood markets have disappeared, landowners aren't thinning their forests and creating younger forest habitat needed for certain wildlife.

While not all of these issues can be addressed in a Farm Bill, but we offer three suggestions for your consideration:

- Support the Timber Innovation Act. Many of you have already agreed to cosponsor the Timber Innovation Act, thank you. This legislation clarifies authority and directs the US Forest Service to conduct research and development into new and improved forest products, such as products for building tall buildings out of wood. New and improved forest products mean more landowners can sell their wood and afford good stewardship.
- Support forest-based facilities in Energy titles, especially in areas where we've lost forest markets. The Energy titles grants, loans, loan guarantees can be aimed at facilities that will use forest materials in areas where there are little or no markets left.
- Encourage Rural Development that uses forest materials. USDA's rural development programs that fund building construction could be encouraged to use agriculture-based materials, including wood products. While this may not be a significant market by itself, it will encourage architects and engineers to learn how to use wood, which will then impact private markets.

Wildfire Funding Fix

In addition to enacting the above recommendations in the upcoming Farm Bill, there is one other policy issue that we ask for your support on, although largely outside the jurisdiction of the Agriculture Committee. If not addressed, this issue could impact the success of improvements you enact in the Farm Bill.

As you all know, wildfire fighting is literally consuming the US Forest Service budget. While it may seem tangential to today's hearing discussion, it is far from it. As more and more of the Forest Service budget is used for wildfire fighting, less funding is available for the technical assistance and research that the US Forest Service, in conjunction with state forestry agencies, delivers. This support is fundamental to successfully implementing the Farm Bill programs. We respectfully ask that you continue to work with the relevant committees and enact a wildfire funding fix that stops the erosion of the Agency's budget and stops the persistent "borrowing" the Forest Service must do when they run out of funds for firefighting.

Thank you again for the opportunity to testify and I'm happy to answer any questions you may have.