

December 23, 2005

The Honorable Mike Johanns
Secretary of Agriculture
1400 Independence Avenue, SW
Washington, DC 20250-3355

RE: Request for Public Comments to be Used in Developing USDA
Recommendations for the 2007 Farm Bill (Fed. Reg. June 17, 2005)

Dear Secretary Johanns:

Thank you for the opportunity to provide input as the Administration develops its recommendations for the 2007 Farm Bill. The undersigned groups urge you to consider proposals to mitigate threats to the viability of the family-owned forests that are a mainstay of this country's rural landscape, economy and wildlife habitat. The Farm Bill's conservation and forestry programs are designed to assist rural landowners and enhance stewardship across the landscape. The 2007 Farm Bill reauthorization provides a critical opportunity to maintain working landscapes and conserve natural resources by using the tools of cooperative conservation to address threats to forestlands as well as to assist agricultural landowners. We look forward to working with the Administration and Congress to do so.

The focus of this letter is the Southern United States, although our recommendations, if adopted, would benefit private forest landowners across the country. Our comments and recommendations are responsive to Question 4 (How can farm policy best achieve conservation and environmental goals?) and Question 5 (How can Federal rural and farm programs provide effective assistance in rural areas?). They are also relevant to Questions 2 and 3, regarding competitiveness of U.S. agricultural markets, and the distribution of farm program benefits.

The undersigned groups represent landowner, conservation and forestry organizations who believe that a comprehensive conservation and working landscapes strategy must include government assistance and market-based incentives to counteract the threats to the future of Southern forests. We share the goal of maintaining Southern forests for a sustainable economy and environment, and we believe that Farm Bill reauthorization should include effective provisions and incentives for restoring, retaining, and managing family-owned forestland that are implemented on a scale that will make a difference.

Family-owned forests are an important national resource

Before European settlement, the South was almost entirely forested. These forests were habitat for a great abundance and variety of native plant and animal species. Like forests in the rest of the country, Southern forests were characterized by spectacular waterways, majestic older forest stands and huge swaths of unfragmented open space. Over time, Southern forests were affected dramatically by human use and settlement – first by Native Americans and later by European settlers. Only 4% of the longleaf pine ecosystem that once extended from Virginia to Texas

remains today. Only 20% of the South's great bottomland hardwoods still exist, and only a fraction of a percent of forests remain in the late successional stages of forest development.

Seventy percent of forests in the Southern U.S. are owned by small family landowners, some 5 million in all, covering approximately 150 million acres. In addition to preserving the rural landscapes of the South, these forests provide habitat for a wide range of species, as well as watershed protection, environmental services such as reduction of air pollution, storage of carbon and flood mitigation, recreational opportunities, and hundreds of thousands of jobs.

Despite past impacts of agriculture and settlement, the South's forests remain the most biologically diverse and economically important woodlands in the country, and the South has again become a heavily forested region with forestlands covering more than 60% of the land base in most states. Eighty-nine percent of these forests are owned by families and other private landowners and only 11% are publicly owned.

Values of Southern Forests. Southern forests provide a wide range of values to the people of the South and to the country as a whole:

- The South is the largest timber producing region in the world, supporting 700,000 jobs in forest industries.
- Forests are critical to protecting the quality and quantity of surface and underground water for human consumption and for fish and wildlife habitat.
- Forests provide other "environmental services" such as reduction of air pollution, storage of carbon, and mitigation of flooding. For example, forested lands provide two-thirds of the Nation's drinking water.
- The South's forests are the location for a wide range of outdoor recreation including the traditional Southern pastimes of hunting and fishing; these recreational uses also have significant economic benefits.
- Forested landscapes are habitat for a great variety of plants and game and non-game animal species. The South is the most biologically diverse region of the U.S. and is the home to more threatened and endangered species than any other region of the country.
- Since 89% of forestland in the South is privately owned (70% by small family landowners), forests provide income and a sense of personal stewardship and attachment to the land for an estimated 5 million family forestland owners in Southern states.
- Southern forests are an integral part of the heritage and character of the region and the United States.

Family owned forests are under threat

As documented in the U.S. Forest Service's Southern Forest Resource Assessment (2002), forests in the South are facing rapid and unprecedented change, including divestment of industrial forestlands, shifts in the global market for wood products, soaring land prices that make traditional forest uses uneconomic, and rapid population increase, urbanization, and fragmentation. Indeed, the South is forecast to lose 12 million acres by 2020, and other 19 million acres by 2040.

Despite these pressures, many family forest landowners want to keep their land in forests, but these landowners often do not have the means or understanding to gain professional assistance, the expertise necessary to engage in sustainable stewardship practices on their lands, or the financial resources to maintain ownership of their land.

Social, environmental and economic forces are now causing rapid change in Southern Forests:

- Divestiture of Industry Lands. Large industrial forest companies that have accumulated and managed forest land in the South for generations are rapidly divesting of their land holdings. Millions of acres have already been sold; new tracts of land are offered for sale each month. (For example, the International Paper Corporation recently announced the sale of more than 5 million acres of southern forest lands.) These and other land sales contribute to fragmentation of land ownership and altered management and use.
- Global Competition. Forest based industries are being affected by global competition. Wood pulp has become a global commodity and the South's longstanding furniture industry now faces strong competition from China.
- Rising Land Prices. Land prices are soaring making traditional forest uses less attractive economically in some parts of the region.
- Growing Population Pressures. Parts of the South are growing in population and urbanizing rapidly through the expansion of metropolitan regions and through recreational and retirement home development in important forested landscapes. According to the USFS's recent study, Forests on the Edge (2005), of the fifteen watersheds most threatened by increased housing density, nine are in the South.
- Growing Recreation Demands. Increasing urban growth brings with it increasing pressure for the recreational use of public forest land. The demand for forest-based recreation from a growing Southern population is overwhelming our public forests and parks.
- Declines in Forest Health. New waves of forest pests and pathogens are affecting Southern forests. The hemlock and balsam wooly adelgids, dogwood anthracnose and a variety of invasive and damaging non-native plants are demonstrating their destructive impacts elsewhere in US forests; these may all have similarly devastating impacts to forest structure and function as the chestnut blight did in earlier times. Exotic, invasive plant species are also decreasing the vitality and biodiversity of our Southern forests.
- Lack of Professional Advice. An increasing proportion (now two-thirds) of the region's forests is managed by millions of private landowners, most of whom are unaware of or without the means to seek stewardship advice and assistance when they most need it. For example, according to the Southern Forest Resource Assessment, less than 5% of forest landowners have management plans.
- Restrictions on Use of Fire. Finally, fire has always been a natural occurrence (and a cultural practice) in large areas of the Southern forest. Periodic fire is needed to keep some forest types, such as longleaf pine, healthy and safe from catastrophic wildfires. The traditional Southern practice of burning the woods under controlled conditions is being lost in the face of suburban sprawl and diminished public and private resources. This long-term lack of fire and fuels management will increase wildfire threats in the wildland-urban interface and reduce the biological function of these forest lands.

These trends threaten the economic and environmental values provided by Southern forests and ultimately will threaten the working landbase. Jobs are being lost in forest and recreational industries, and income will be lost to the many family forest land owners who enjoy and profit from their forestlands. Water shortages, already prevalent in parts of the South, will get worse. Similarly, without sufficient forests to hold water in heavy rains, downstream flooding will also intensify. Air quality will deteriorate at an accelerated rate. Families will have more limited access to healthy outdoor recreation space to escape from the pressures of everyday life. The many listed species dependent upon forests for habitat will be further threatened. Finally, the South's forest heritage, which contributes to the character of the region, will be diminished.

**Working lands conservation programs need to be comprehensive
and fully address family-owned forests**

The need is great for a unified conservation strategy that addresses the unique roles that forests, agricultural and ranch lands play in maintaining the working landscapes in the U.S. Most Farm Bill conservation programs are largely directed towards agricultural lands. Conservation of these lands is very important, but a comprehensive approach to ensuring working landscapes and conservation of the nation's natural resources requires that policies and programs encompass all aspects of the landscape. Currently, programs reflecting a comprehensive approach, including assistance for forested lands, are minimal. Funding targeted specifically at forest landowners, such as the U.S. Forest Service's State and Private Forestry Program, has seen little increase and in some cases decreases in funding. Forests are largely treated incidentally within NRCS programs such as EQIP, FRPP, CSP and WRP. Finally, no single program to assist private, non-industrial forest owners exists, with the exception of the Forest Land Enhancement Program (FLEP) but that program has been severely underfunded.

Investments in forest restoration and other forest management activities will have concrete and long-term benefits in the South and across the U.S. To meet the needs of forest landowners, assistance for forests is needed to maintain working lands. Cost-share programs, and technical and educational assistance can help landowners maintain forests over the long-term. Reserve-style and easement programs (WRP, CRP and Healthy Forest Reserve programs) provide landowners additional conservation options. All of these programs provide the public with clean water, wildlife habitat and other public benefits, as well as provide jobs and economic sustainability.

The majority of family owners are eager to maintain sustainable forests, and would benefit from additional technical, educational, and cost-share assistance, as well as reserve and easement program options. In addition, many forest landowners lack the knowledge and technical resources to get the most out of their land – whether they seek economic returns or simple pride in leaving the land better than they found it. The massive, pending intergenerational transfer of ownership will leave the land to new heirs, most of whom know little about forests, are unaware of the opportunities their land could provide, and remain disconnected from traditional networks of rural outreach and education.

As landownership is further divided and new owners own land without any knowledge of forest management, it is even more critical that we invest in our forests to educate and work with these

families. Investing now is necessary if we expect to manage future challenges such as urbanization, water and air quality, and economic viability of our forest industry. The Farm Bill provides an excellent vehicle for addressing these challenges.

Farm Bill Recommendations

The Farm Bill's programs are designed to provide incentives to rural landowners to engage in practices that enhance stewardship of their lands. Given that a high percentage of rural landowners, particularly in the South, are small forest landowners, and that private forests provide a tremendous conservation opportunity throughout the United States, the Administration and Congress can advance their conservation agenda and maintain working landscapes by addressing the following principles in the 2007 Farm Bill:

- As part of a unified conservation strategy that also involves agricultural and ranch lands, the 2007 Farm Bill should place a higher priority on forest lands than currently exists, consistent with the conservation opportunities and public benefits they afford, and the role they play in sustaining rural communities and economies.
- Farm Bill programs directed at maintaining and conserving the working landscape should be well integrated and coordinated, in order to improve efficiency and facilitate landowner participation in programs. *Among other things, there should be improved communication and coordination between the U.S. Forest Service and the Natural Resources Conservation Service.*
- Funding and resources for forests should be directed where they can have the greatest impact on forest conservation and management, and should deliver measurable results. *Funding should be directed at priorities, should encourage multiple landowner cooperation across landscapes and watersheds, and should address issues on a scale that will make a difference on the ground.*
- Existing Farm Bill conservation programs, including cost share and easement programs, should encourage greater participation by forest landowners. Existing programs designed to improve water quality, wildlife habitat, or other natural resources should recognize the role that forests play in conserving these values.
- Federal policies and programs should leverage income from both public and private sources to reward private landowners for providing services that benefit the environment and communities.
- The Farm Bill should recognize the central role that outreach, education and technical assistance can play in mobilizing forest landowners and guiding them toward sustainable stewardship of their forests and should recognize the role that forestry research can play in moving these objectives forward.
- Many decisions about land use and forests – both urban and rural – are made at the local and state levels. Federal programs should be developed and implemented to facilitate

cooperative conservation efforts among Federal, state, regional and local agencies and organizations, and should foster cooperation to achieve conservation across larger forested regions

These principles could be implemented in a number of ways, including through amendment of existing programs or through addition of new programs. The need is urgent, and the opportunity great, to conserve working landscapes to address the needs of private forest landowners in the 2007 Farm Bill as well as the needs of agricultural landowners. We look forward to working with the Administration as it develops its recommendations.

Sincerely,

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Environmental Defense
Longleaf Alliance
National Wildlife Federation
Pinchot Institute
Society of American Foresters
Southern Environmental Law Center
Southern Group of State Foresters
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