

**Written Testimony of the National Association of State Foresters (NASF)
Jason Hartman, Kansas State Forester and NASF Executive Committee Member**

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The National Association of State Foresters (NASF) is pleased to provide written testimony to the Senate Agriculture Subcommittee on Conservation, Climate, Forestry, and Natural Resources for this important hearing on “Forestry in the Farm Bill: The Importance of America's Forests.” Thank you, Chairman Bennet, Ranking Member Marshall, and members of the subcommittee for holding this hearing today and for the opportunity to testify on behalf of NASF.

NASF represents the directors of the forestry agencies in all 50 states, five U.S. territories, three nations in compacts of free association with the U.S., and the District of Columbia. State foresters deliver technical and financial assistance to private landowners for the conservation of more than two-thirds of the nation’s forests. They also partner with federal land management agencies through cooperative agreements and Good Neighbor Authority (GNA) to manage national forests and grasslands. All state forestry agencies share a common mission to protect America’s forests and most have statutory responsibilities to provide wildland fire protection on all lands, public and private.

State foresters recognize the Farm Bill as a unique opportunity to support rural America’s economic backbone and improve the quality of life for all Americans by enhancing support for America’s trees and forests.

Between the 2018 Farm Bill and the 2018 Omnibus Appropriations Bill, several significant achievements were accomplished, providing new authorities for improving forest management. The 2018 Farm Bill forestry title built upon 2014 achievements, streamlining decision-making, expanding authorities within several programs and creating several new programs and authorities while continuing to address and provide for cross-boundary and landscape-scale forest management.

Recent Farm Bills have also been instrumental in elevating the role of forestry in conservation title programs. State forestry agencies are proactively involved in working with our federal counterparts to successfully implement these programs, providing invaluable support to small private landowners in their forest management needs. NASF appreciates the ongoing program support and attention in the Farm Bill that translates to tangible, on-the-ground progress through these collective efforts.

State Foresters have established the following principles to guide the development of the next generation of forestry and conservation programs through the 2023 Farm Bill:

Codify State Forest Action Plan Implementation Funding

The Infrastructure Investment and Jobs Act (IIJA/BIL) provides funding for State Forest Action Plan (SFAP) implementation. This is not a provision of IIJA/BIL but is part of the funding to the states and territories from the “unspecified” Division J funds, also referred to as “state forest action plan funds.” This funding is \$40 million per year. After reductions for administrative activities for Business Ops, OIG, SPF S&E, there’s about \$31M to support States/Territories annually for five years. These funds come to the Regions as SFAP (Budget Code) and are activated through specific programs: Forest Stewardship, Rural Forestry Assistance, Urban and Community Forestry, Cooperative Forest Health, and Cooperative Fire.

NASF supports codifying this State Forest Action Plan Implementation authority which allows states to implement the highest priority forest management activities within their state, as identified and developed collaboratively with partners and stakeholders. Allocations to states would be formula-based and not competitive, supporting out-year planning and budgeting for match purposes. NASF supports an authorization of appropriation for \$40M to be formulated to the USDA Forest Service’s (Forest Service) new budget structure.

Good Neighbor Authority

The Good Neighbor Authority program has allowed the Forest Service to partner with states on federal forest restoration and management projects, facilitating critical work to improve species habitat, enhance watersheds, reduce hazardous fuels and mitigate wildfire risks.

Since GNA was first authorized by Congress with the 2014 Farm Bill, at least 38 states have broken ground on over 380 GNA projects. Through these GNA projects, states are contributing to the restoration of federal forests on an unprecedented scale. According to the Congressional Research Service, the amount of Forest Service timber sold under GNAs has increased from 14.4 million board feet in fiscal year (FY) 2016 to 182.6 million board feet in FY 2019.

In the 2018 Farm Bill, Congress expanded GNA to make Tribes and Counties eligible entities to enter into Good Neighbor Agreements. However, Tribes and Counties were not afforded the same authority as states to retain GNA project revenues to reinvest in conservation, greatly reducing a significant incentive to engage and partner on critical management projects including wildfire mitigation, invasive species management, and habitat maintenance.

Further, the 2018 Farm Bill removed the ability to carry out restoration services that were agreed to under the Good Neighbor Agreement to take place off federal lands. As a result, adjacent state, tribal, county, and other land that is essential to the health and productivity of National Forests can no longer be restored as a comprehensive landscape with revenues generated from GNA projects.

NASF supports authorizing counties and Federally Recognized Tribes to retain and expend GNA timber sale revenues and restoring the cross-boundary nature of GNA by removing the requirement that GNA timber sale revenues must be spent solely on federal lands.

Additionally, NASF supports further expanding GNA to all federal land management agencies, making the authority permanent, or at a minimum extending the October 1st, 2023, sunset date for states to retain GNA timber sale revenue, and amending GNA to authorize the reconstruction, repair, and restoration of roads administered by the Bureau of Land Management and other federal agencies (should GNA be expanded to include other federal land management agencies).

Landscape Scale Restoration Program

The 2018 Farm Bill codified the Landscape Scale Restoration (LSR) program which was a key policy priority for NASF. The program originated with the 2008 Farm Bill and existed for a decade as a jointly administered program between the Forest Service and state forestry agencies.

In addition to codifying the program, the 2018 Farm Bill also stipulated a new “rural” requirement for LSR. Consequently, and per a subsequent rulemaking made by the Forest Service, LSR work can only be conducted in communities made up of fewer than 50,000 people. This change significantly reduced the scope and efficacy of the program by prohibiting work in areas across the United States with legitimate need for LSR grant support.

The LSR rural requirement has eliminated opportunities for state forestry agencies to leverage their Urban and Community Forestry (U&CF) program work, and greatly restricted their ability to conduct hazardous fuels reduction projects under LSR in areas with populations greater than 50,000, including many areas within the Wildland Urban Interface (WUI).

LSR should be returned to a flexible program able to address the highest priority needs across landscapes as identified in state Forest Action Plans, regardless of community size. The program should not exclude larger communities or populations that depend on trees for their health and wellbeing, particularly in historically marginalized communities.

Forests aren't just found on mountainsides or in wildlands, but in cities, towns and a vast array of communities. Community forests – especially in areas with over 50,000 residents – are shown to significantly improve human health outcomes and provide tremendous socio-economic benefits. Healthy community forests aren't a given; they take work. For decades, state forestry agencies have helped communities manage their forests by providing technical and financial assistance for the planting and care of street, park, and other community trees. State forestry agencies and their U&CF programs are crucial to ensuring *all* people have equitable access to the many benefits of trees.

The LSR program has supported many successful U&CF projects in priority areas with competitive grant funding in the past. It is crucial that LSR projects can once again include U&CF work.

NASF supports striking the rural requirement from LSR legislative language established in the 2018 Farm Bill. To be as impactful as possible across ownerships and on a landscape scale, *all* lands – including cities, suburbs, and towns – should be eligible for LSR support as they were prior to the 2018 Farm Bill.

Support an “All-Lands” Approach to Reforestation by Creating a Stand-Alone Budget Line Item (BLI) for the USFS Reforestation, Nurseries and Genetic Resources Program (RNGR)

The Forest Service is the federal agency responsible for helping states to produce, distribute, and plant seedlings on private land. In 2001, the agency created the National Reforestation, Nursery, and Genetics Resources (RNGR) Program within State and Private Forestry. In 2004, an agreement with the National Forest System and Research and Development expanded RNGR to better coordinate activities and outreach, use expertise more effectively, and provide program continuity.

Technical specialists assigned to RNGR are located across the country. RNGR’s first priority is direct technical assistance to federal, tribal, state, territorial, and private nurseries. The Forest Service National Seed Laboratory (NSL) is a key component of the RNGR Program, particularly important in addressing emerging germplasm conservation needs.

The RNGR Program provides assistance in native plant seed and seedling production where other sources of technical assistance are unavailable. RNGR activities focus on:

- Adequate supplies of reasonably priced, high quality, genetically well-adapted seedlings for conservation and reforestation;
- Propagation and planting methods that improve seedling survival and growth; and
- Cost-effective production and planting techniques.

In the last few years, a significant amount of legislative, agency, NGO community and general public interest has been directed towards tree planting to address climate change and forest resilience, land reclamation, land rehabilitation after extreme fire events and the overall improvement of urban environments.

Recognizing that this increased interest is likely to increase seedling demand, NASF conducted our second study of state forestry tree seedling nursery and tree improvement programs in 2021. The first study, completed in 2015 and published in 2016, aimed to provide a comprehensive look at state efforts in terms of quantities, species, program needs and other issues. The second study focused more on challenges, barriers and opportunities related to expanded production.

The same year that second study was conducted, the journal *Frontiers in Forests and Global Change* published an article by multiple authors titled “Challenges to the Reforestation Pipeline in the United States.”

In the spring of 2022, the USDA Under Secretary’s Office held a symposium to bring together a variety of experts from the state, federal, private and NGO sectors to similarly identify challenges, barriers and opportunities involved in greatly accelerating tree planting across all lands, but with a particular focus on federal lands.

Results from these three separate efforts yield similar conclusions:

- An adequate work force, in terms of both skilled and general labor, is lacking;
- Substantially more funding needs to go into the infrastructure necessary to expand seed and seedling capacity; and
- Information sharing to improve technical knowledge and practices, and to better understand demands, climate change impacts and other issues is necessary.

The RNGR program is uniquely positioned to address these needs, but is sorely underfunded.

NASF supports a new authorization for appropriations, creating a new BLI for RNGR and significantly increasing funding for the program with new dollars— i.e. not using funds redirected from other State and Private Forestry Programs. Funding would expand staffing to provide more technical assistance and training to address skilled staff shortages, create opportunities for nurseries to apply for infrastructure improvement/expansion grants, promote practices that reduce general labor needs without sacrificing quantities or qualities of seedlings and serve as a convenor of nursery/tree improvement/tree planting interests nationwide.

NASF supports amending the Reforestation Trust Fund (16 U.S.C. 1606(a)) to provide financial support to the Reforestation Nurseries and Genetic Resources (RNGR) program; to support federal, state, tribal, and private operated tree nurseries and seed orchards.

Enhance the Conservation Reserve Program

When the Conservation Reserve Program (CRP) was created in the late 1980s, tree planting was envisioned as a prime way to address concerns over highly erodible agricultural soils. However, CRP did not envision how to support and incentivize beneficial forest health and conservation decisions by landowners as their trees under CRP reached maturity. In some parts of the country, CRP planted stands are over 30 years old and reaching maturity, having been reenrolled twice over. The landowners of such stands are at a critical decision point in their management; however, they are not allowed to harvest their trees while under a CRP contract. This is viewed by the Farm Service Agency (FSA) as tantamount to “destroying the conservation cover,” thus rendering the

landowner ineligible for further participation in CRP. Moreover, if the landowner finishes a contract and then harvests their trees, their land is deemed by FSA to not meet the definition of “eligible cropland” and thus cannot be planted with trees again under CRP without significant investment to return the land to a plantable condition.

CRP authorization needs to be amended to support forest landowners throughout the life of their stand, especially when a CRP-enrolled stand reaches maturity. CRP should allow for the landowner to reenroll their acreage, as it still provides the same soil-retention and conservation benefits as when they first enrolled in CRP. At the very least, CRP policy should be amended to incentivize landowners with stands at maturity to replant in one of many conservation priority ecosystems across the country (ex – longleaf pine, bottomland hardwood, white oak, etc.). Without retaining CRP eligibility post-harvest, forest landowners could be incentivized to revert to agricultural production with society losing the soil-retention and conservation benefits forests provide.

NASF further supports removing the one-reenrollment limitation for hardwood stands in CRP. There should be no limitation on re-enrollment of forested acreage within CRP, hardwood or otherwise, as long as it continues to provide the resource benefits desired of CRP-enrolled lands. This is particularly true for stands that have undergone mid-contract management to ensure they are healthy and at the proper stand density. This is important not only for hardwood forests across the nation, but also for supporting the expansion of longleaf pine acreage in the south, as FSA considers longleaf pine a hardwood for the purposes of this program and limits longleaf pine to a single re-enrollment.

Finally, CRP offers an annual payment to landowners who take highly erodible lands out of agricultural production. Various land cover types, including trees, are eligible for the program. The 2018 Farm Bill increased the overall cap on program acres, but hardwood tree planting projects are ineligible for “Continuous Sign-up.” This means they are not automatically enrolled and must compete against other projects in the “General Sign-up” process. The ranking criteria for “General Sign-up” include air quality improvement, but do not mention carbon sequestration explicitly. A continued increase in the acreage cap, relaxing the maximum on rental payments, and placing greater priority on tree planting would result in increased carbon storage.

Bolster Post-Disaster Forest Landowner Assistance and the Emergency Forest Restoration Program

Since the 2018 Farm Bill was passed, forest landowners across the country have been impacted by a myriad of natural disasters. In the wake of hurricanes in the South, the 2020 Derecho in Iowa, catastrophic wildfires in the West, and tornados, ice storms and more everywhere in between, we have realized the significant federal programming gap that exists in helping landowners reforest and get back on their feet. The Emergency Forest Restoration Program (EFRP) which was codified

in the 2008 Farm Bill (Food, Conservation, and Energy Act of 2008) has proven to be woefully inadequate and too bureaucratically cumbersome for most landowners to benefit from. Forest landowners should have equal support from the federal government compared to other agriculture commodities when faced with the impacts of natural disaster. Timely and ecologically proper timber salvage and reforestation helps ensure our nation's private forestlands continue to provide public benefits like clean air and water, recreational opportunities, rural economic stimulus and more.

NASF supports fair post-disaster tax treatment for forest landowners through the inclusion of the Disaster Reforestation Act in the 2023 Farm Bill.

Promoting Cross-Boundary Wildfire Mitigation

The 2018 Farm Bill amended section 103 of the Healthy Forests Restoration Act (16 U.S.C. § 6513), providing a new authority for the Forest Service to spend up to \$20 million on grants to state foresters for hazardous fuel reduction projects that cross land ownership boundaries, particularly in priority landscapes as identified in state FAPs.

While section 8401 of the 2018 Farm Bill, *Promoting Cross Boundary Wildfire Mitigation*, is working well, there remains a need to increase the authorization of appropriation for this provision. Additionally, it is our understanding the Forest Service used this new authority to codify an existing mechanism for implementing cross-boundary hazardous fuels projects, commonly known as 'Stevens Money.'

The intent from the Forests in the Farm Bill Coalition for section 8401 of the 2018 Farm Bill was to supplement existing mechanisms for implementing cross-boundary hazardous fuels projects and augment funding available to accomplish this work, not to codify 'Stevens Money.' We look forward to working with members of the subcommittee and our partners in the Forests in the Farm Bill Coalition to develop a solution that will best utilize all available authorities and funding to accomplish this important work.

Amending the Definition of At-Risk Community

The Healthy Forest Restoration Act (HFRA) contains a problematic definition for "at-risk community": *"wildland urban interface communities within the vicinity of Federal lands that are at high risk from wildfire"*.

The "vicinity of federal lands" language has long been viewed as a problem by NASF because it is very restrictive, excluding communities that have been identified as "at risk" by state wildfire risk assessments and other collaboratively developed tools used by federal and state agencies, such

as the Pacific Northwest Quantitative Wildfire Risk Assessment and the Southern Wildfire Risk Assessment Portal.

NASF looks forward to sharing our specific legislative language with members of the subcommittee to rectify this longstanding pitfall with the 2023 Farm Bill.

Address Projected Risks of Forest Conversion

The 2010 Resources Planning Act Assessment (RPA) outlines the magnitude of the conversion challenge facing America's private forests – between 16 and 34 million acres projected to be lost to urban sprawl and development by 2060. The impacts of a loss of this magnitude will be felt across all the ecosystem services and economic benefits forests provide to the region – clean air and water, rural jobs and economic stimulus, wildlife habitat, and more. This challenge necessitates a dedicated and robust policy intervention.

NASF supports installing programmatic recognition of the importance in supporting local planning decisions. The key to the loss of forestland across the country lies in a lack of information employed during individual local land use planning decisions, hence the need to support information delivery to local planners and decision makers. RPA finds that a variety of analytical tools exist to evaluate management and policy options to maintain intact natural ecosystems. NASF proposes that the Farm Bill articulate an authority and funding provision within the USFS Forest Stewardship and Urban and Community Forestry Programs that provides special technical assistance services and analysis capabilities for local governments to utilize data, models and analytical tools developed by RPA and other research institutions to promote interpretation of forest resource data in growth management planning.

NASF supports installing a tax credit for land managed under a Forest Stewardship Plan. In many States, greenbelt or present-use valuation programs exist to support the retention of working forests on the landscape through preferential property tax treatment; however, no similar tax incentives exist in federal tax code. Since loss of forest land is considered an issue of national and regional consequence, federal tax recognition of the economic challenges of keeping forests on the landscape is appropriate, especially as market values or highest-use assessments of land increase and there is a greater incentive to convert these lands to other developed uses. NASF proposes a federal tax credit instead of a deduction for property tax paid on forestlands that are enrolled in the Forest Stewardship Program or comparable programs which show ongoing sustainable management. NASF notes that should a Forest Stewardship Plan become more attractive to landowners as a result of this tax treatment then annual appropriations for the program must increase to support increased workload on State Forestry agencies in preparing and monitoring those plans.

Extend and Enhance the 2014 Farm Bill Insect & Disease (I&D) Infestation Authority

The 2014 Farm Bill provided states with the opportunity to highlight the scope and scale of the insect and disease epidemic on the National Forest System. In cooperation with states, the Forest Service has designated approximately 74 million acres nationwide as insect and disease treatment areas, but only a fraction of those acres have been treated. The lack of active management on federal lands is threatening the continued flow of social, economic, and ecological values from our federal forests as millions of acres continue to be impacted by insects, diseases, and uncharacteristic wildfires.

NASF supports the extension of the September 30, 2023 sunset date to initiate scoping in order to utilize certain Healthy Forest Restoration Act processes for priority projects in designated I&D treatment areas; as well as increasing the Farm Bill I&D 3,000-acre categorical exclusion (CE) to 15,000 acres + acres or larger.

Amend and Modernize the Eligibility Requirements for the Volunteer Fire Assistance (VFA) Program

The current requirements are 40+ years old, and do not adequately represent the full suite of today's VFDs who need funding to protect the communities they serve from wildfire. The eligibility requirements for this program need to be updated and the authorizing language streamlined.

Enhance the Conservation Stewardship Program

By acreage, CSP is the largest working lands conservation program in the country. It provides landowners a yearly payment for implementing enhanced conservation practices that go beyond basic conservation standards. Landowners must compete to enter the program and are deemed more competitive if they implement a "bundle" of enhancement practices. Under current regulation, forest landowners only have one bundle option: a set of enhancements aimed at improved wildlife habitat. Enhancement E612A involves converting cropland to trees for water quality protection. This practice would also increase carbon sequestration, but with the greatest volumes being sequestered 10 years following planting. A bundle of enhancements should be constructed around extending contracts for tree plantings and optimizing carbon uptake in standing timber. This could be constructed in a manner that also improves water quality and wildlife habitat.

Support Source Water Protection and Stormwater Management

Provision of water quality and management of stormwater runoff are two critical benefits provided by well-managed forests and are thus essential to keeping forests on the landscape. About 800 million forested acres in the U.S.—covering roughly one-third of the country’s land area—filter and supply more than 50% of the nation’s drinking water. The rest of America’s drinking water is sourced from watersheds that many researchers suggest could be improved through reforestation efforts and enhanced forest management. The water resource benefits that forests provide can be maximized through thoughtful forest planning and carefully applied management practices. Privately owned forests constitute about 60% of U.S. forests. Of those 445 million acres, non-corporate family forestland owners manage about two-thirds, or 298 million acres. This means that purely based on volume, small-tract woodland owners as a collective have the opportunity to make a substantial positive impact on forest health—and ultimately watershed health—through forest management.

NASF supports amending the 2018 Farm Bill language directing "10% of conservation program funding to be used for practices that protect source water for drinking water" to ensure greater priority is placed on surface water/forests (as opposed to groundwater).

Address Administrative Barriers to Forestry

In addition to producing legislative change to improve and streamline federal programs delivering forestry assistance, the Farm Bill serves an important influential function in encouraging the Administration to pursue certain actions. In this regard, we are eager to work with the Administration and its partners to utilize the tools and funding authorized by the Farm Bill to ensure and fulfill congressional intent.

There has been a growing demand for and use of forestry practices by landowners using cost share assistance through the Natural Resource Conservation Service (NRCS) Environmental Quality Incentives Program (EQIP). However, while the demand appears fairly spatially uniform across the nation, the use of and priority placed on forestry practices varies substantially from state to state. There are a number of potential explanations (i.e. familiarity with practices, technical proficiency, interpersonal relationships, etc.); however, it is critical that forestry assistance is available to interested landowners in all states. NRCS should be encouraged to think programmatically about how to foster growth of forestry cost-share assistance in all states, especially those where forestry assistance has not traditionally been embraced as a priority but in which landowner demand exists.

NASF supports the growth of forestry assistance through the Environmental Quality Incentives Program (EQIP) by requiring state offices/technical committees to assess and establish priority forestry practices, as well as the expanded use of and financial support to State Forestry agencies to serve as Technical Service Providers (TSPs) for NRCS programs.

Support the Joint Chiefs Landscape Restoration Partnership Program

NASF supports expanding the Joint Chiefs Landscape Restoration Partnership program (Joint Chiefs), as codified in the Infrastructure Investment and Jobs Act, to include an enhanced focus on invasive species control, and expanding eligible activities to allow treatments for erosion control materials and resource concerns related to native wildlife species, such as feral ungulates, small mammal predator control, invasive ants, and other insects.

Additionally, NASF supports including a prioritization in Joint Chiefs and the Collaborative Forest Landscape Restoration Program for projects/proposals linked to a state's Forest Action Plan.

Conclusion

Thank you for the opportunity to appear before the subcommittee today and provide testimony on behalf of NASF. We appreciate the ongoing work of this subcommittee to provide federal and state forest managers, as well as private landowners, with tools that increase the pace and scale of science based, sustainable active forest management, cross boundary work, and rapid and effective response to insects, disease and wildland fire.

We look forward to working with the subcommittee, our partners with us here today and our federal partners, including the Forest Service and NRCS on these matters, providing the collective insights of the nation's State Foresters in developing the 2023 Farm Bill. We are unified by a common goal: to support the health of America's trees and forests and the rural and urban communities which rely on them.