

**Small Forest Landowner Advisory Committee Meeting  
Notes  
May 5, 2015**

**In attendance:** Vic Musselman, Mark Hicks, Terry Jackson, Boyd Wilson, Marc Engel, Carol Cloen, Phil Hess (by phone), Tammie Perreault (by phone), Jeffrey Thomas (by phone)

**Review of March 26, 2015 SFLAC meeting notes**

Edits to the following sections from March 26 SFLAC meeting notes are in red font:

*Open discussion on whether we should have an NRCS representative come talk to us at the May meeting*

The SFLAC would like to invite entities that offer grant opportunities to discuss what these opportunities entail. Vic will contact a NRCS representative and invite them to the next SFLAC meeting to discuss **add: resources available for small forest landowners as well as** potential grant opportunities.

*Update on scheduling of joint SFLAC / TFWCRR meeting and other business*

On January 14, 2015, Vic, as chair of the SFLAC, sent a letter to the co-chairs of the TFW Cultural Resources Roundtable (TFWCRR) regarding agenda topics that may be considered important to both parties for a joint meeting.

**Delete: The Chair of the Advisory Committee and the Co-Chairs of the TFWCRR are currently in discussions regarding these agenda topics.**

There have been no discussions between the parties as of the date of this meeting.

**Legislative Update on Pertinent SFLO Initiatives**

The 2015 legislative session adjourned Friday, April 24. Governor Inslee has called for a special session to begin April 29.

The major issues remaining before the legislature are the operating and capital budgets.

Both House and Senate versions of the Capital budget include \$3.5 million for FREP and \$5 million for FFFPP.

Bills dealing with taxes are exempt from all cutoffs so bills previous though dead could unexpectedly come back to life. Yesterday, the House proposed a new version of cap and trade. Today, a Senator introduced a new income tax bill. Below is additional perspective on a few of the tax issues still in play:

### *HB 1314 - Implementing a carbon tax with the intent of reducing greenhouse gas emissions*

The latest version of this bill offers carrots to both agriculture and forestry by rebating the cost of the program to certain industries including food processing and mills until the year 2021. It also uses revenue from the program to fund several programs intended to benefit agriculture and forestry. However, implementation appears to be so complex a significant new bureaucracy would be needed for administration and litigation would be endless. Beyond the Governor's office and environmental organizations, support for this proposal appears to be nearly non-existent.

### *HB 2224 - Capital gains tax*

This bill permanently extends the business and occupation surtax and creates a new excise tax on capital gains that applies to both businesses as well as individuals. It attempts to exempt agriculture and forestry, however the language is flawed and incomplete.

### *SB 6102 - Capital gains tax*

The Senate version of a new capital gains tax applies to individuals only, not businesses. It also attempts to exempt agriculture and timber but does so incompletely. It fails to recognize that for sole proprietorships, partnerships, S-Corps and real estate investment trusts, profits flow through to personal taxes thus creating a business capital gains tax for family owned businesses.

## **Presentation on the Draft Updated WA State Forest Action Plan**

Jonathan Guzzo, Forest Action Plan Project Coordinator, spoke about the update of the Forest Action Plan. A provision in the 2008 Farm Bill required state forestry agencies to conduct a Statewide Assessment & Forest Resource Strategy in order to continue receiving federal funds for State & Private Forestry programs. The assessment & strategy (now called the Forest Action Plan) was completed in 2010, and is to be update every 5 years.

The 2010 Forest Action Plan outlined three statutory themes and priority objectives:

1. Conserve Working Forestlands
2. Protect Forests From Harm
3. Enhance Public Benefits for Trees and Forests, including ecosystem services

The Forest Action Plan also identified six Washington State Issues (threats & opportunities) to address these themes and objectives:

1. Working Forestlands and Conversion
2. Biodiversity & Habitat Conservation
3. Upland Water Quality, Quantity, & Puget Sound Restoration
4. Forest Health Restoration
5. Wildfire Hazard Reduction
6. Urban & Community Forestry

The updated Forest Action Plan is re-tooling these threats and opportunities to be more specific and more action oriented. The update will also include maps that delineate areas where core work should be completed to address these threats and opportunities. The update states that stewardship plays a huge role in keeping lands from being converted and stresses climate change adaptation as an important component in addressing these threats and opportunities. The updated Forest Action Plan is to be completed by June 30<sup>th</sup>.

Vic asked Tami to distribute final copies of the Forest Action Plan for review and discussion at a future SFLAC meeting.

### **Brief Update on the Status of the Fisher**

Terry Jackson gave an update on the status of the fisher. The initial deadline for the final status listing of the fisher under the Endangered Species Act (ESA) was originally Sept. 2015. The USFWS extended this deadline for another six months to April 7, 2016. So there is a little more time for outreach to get landowners signed up for a voluntary conservation approach for private landowners - a Candidate Conservation Agreement with Assurances (CCAA). Simply stated, those who agree to take certain measures to protect fishers would not be subject to future land-use restrictions that might result if the species is listed under the ESA. If enough landowners sign up for the CCAA it could help in the decision to not list the species.

WDFW is continuing its outreach efforts to landowners.

### **NRCS Presentation on Resources Available to SFLOs**

John Kendig, NRCS Resources Conservationist and Moly Dawson, NRCS Engineer gave presentations on NRCS's resources available for small forest landowners. NRCS has about 130 employees in the state.

NRCS mission statement: Helping People Help the Land. The purpose is to provide technical and financial assistance to non-industrial private forest landowners and tribes. Technical assistance is in the form of foresters, soil scientists, conservationists, agronomists, engineers, biologists, hydrologists, archaeologists. Financial assistance is through cost-sharing programs.

The Environmental Quality Incentives Program (EQIP) is really an incentive program to help improve resources. Forestry activities in EQIP can be pre-commercial thinning, reforestation, stream crossings, riparian area enhancement, sediment reduction from forest roads, pruning for disease and fire, invasive treatments, fuel breaks. After landowner signs up, NRCS staff visit and rank the property. Contracts are implemented for 2 to 10 years.

Local Working Groups (LWG) are composed of agricultural producers, non-industrial private forest landowners, and individuals representing a variety of disciplines as they relate to soil, water, wetland, plant, forestry and wildlife sciences. Each LWG receives an allotment of money and the LWG prioritizes how this money will be spent based on resource concerns

such as soil erosion, water quality or quantity degradation, degraded plant conditions, inadequate habitat for fish and wildlife, or energy issues.

Through EQIP, NRCs can provide financial assistance to aid in the cost of having a professional forester help prepare a management plan. These plans serve as a framework for making decisions about what activities a landowner may want to complete on their forest property. NRCS maintains a list of foresters who provide these plans at <http://techreg.usda.gov>.

NRCS program funds can also address surface water runoff and sediment delivery from existing roads to high priority areas such as streams and wetlands, as well as conduct fish barrier corrections.

Some applicable practices are:

- Access road construction
- Forest trails and landings
- Road closures
- Fish passage

Regular forest road maintenance activities are not covered by NRCS.

The Regional Conservation Partnership Program (RCPP) promotes coordination between NRCS and its partners to deliver conservation assistance to producers and landowners. NRCS provides assistance to producers through partnership agreements and through program contracts or easement agreements. RCPP, created by the 2014 Farm Bill, empowers local leaders to work with multiple partners—such as private companies, local and tribal governments, universities, non-profit groups and other non-government partners—along with farmers, ranchers, and forest landowners to design solutions that work best for their region. Local partners and the federal government both invest funding and manpower to projects to maximize their impact.

Funding for RCPP is allocated to projects in three different categories:

1. Critical Conservation Areas – the only CCA in Washington is the Columbia River Basin
2. National
3. State

Eligible partners can be agricultural or silvicultural producer associations, farmer cooperatives or other groups of producers, state or local governments, Indian tribes, municipal water treatment entities, water and irrigation districts, conservation-driven nongovernmental organizations and institutions of higher education.

Application for RCPP funding is currently open with a closing date to receive applications of July 8, 2015.

Meeting adjourned

Next SFLAC meeting is July 7, 2015 from 12:00 – 4:00 in room 461.