SOUTHERN GROUP OF STATE FORESTERS
2012 FARM BILL PLATFORM
RECOMMENDATIONS BY TITLE

The following Southern Group of State Foresters (SGSF) Platform for 2012 Farm Bill direction is derived from the on-going work of the SGSF Farm Bill Task Force, SGSF Forest Resources Committee, National Association of State Foresters-Forest Resource Committee, the Forests in the Farm Bill Coalition, as well as coordination with the Southeast Forestry and Wildlife Working Group (SGSF and Southeast Association of Fish and Wildlife Agencies). The draft represents common understanding on most issues and potential strategies for Farm Bill content. Strategies are subject to revision pending continued discussions among the groups as are recommendations on specific Farm Bill priorities.

Major factors (political/budget/institutional etc.)
It is recognized that the following factors will significantly influence the direction and structure of the 2012 Farm Bill. These factors will limit the scope of the Farm Bill and most certainly the likelihood of any new funding for new or expanded programs:

- Declining state budgets and reduced agency capacities will limit abilities to effectively address priority issues outlined in State Assessments and Strategic Plans.
- Congressional budget authorities and allocations associated with deficit reduction will likely limit or reduce spending levels for current and near term appropriations.
- Commodity prices are expected to remain high resulting in a low 10-year baseline and less funding available for distribution among Farm Bill programs.
- There are at least 37 current programs (including Healthy Forest Reserve Program, Wetland Reserve Program, Wildlife Habitat Reserve Program, and Biomass Crop Reserve Program) that have no baseline beyond 2012 and will require an estimated $9-10 billion in offsets for continuation over ten years.
- A priority for nutrition including food safety, inspection and assistance has been expressed by House Agriculture Committee.
- The Administration (USDA) has expressed an emphasis on broadband technology, renewable energy, ecosystem markets, and forest restoration and private lands conservation.
- Both the Administration and Congress have suggested that some level of
program consolidation within Conservation Title programs as well as Cooperative Forestry Assistance should be considered.

• As part of economic recovery, the House Agriculture Committee has expressed interest in providing adequate “safety net” coverage (program payments, crop insurance, and disaster programs) for agricultural commodities.

Issues and Opportunities
While economic and political factors are defining limits on the development of forest policy, the Southern Group of State Foresters and partners have identified specific areas of interest and priorities for consideration in the 2012 Farm Bill including:

• Utilization of recently completed State Assessments and Strategies to provide responsive and constructive guidance on forest policy, particularly in the context of challenged budgets
• Opportunities to enhance the productive capacity of private forest lands and contribute to the positive multiplying effects of investments in forestry on jobs and rural economies
• Incorporation of findings and potential policy implications of the Southern Forest Futures Project
• Opportunities to coordinate and complement private forestland management strategies with Department of Defense installation missions and resource management objectives
• Impaired forested watersheds, particularly those that provide community drinking water
• Loss of forestland to land use change and conversion with attention to forest/wildlife ecosystems “at risk”
• Protection and long-term management of forest/wildlife ecosystems that provide significant benefits and services, particularly at landscape-levels
• Risk of loss, impaired productivity and associated ecosystem benefits due to infestation from invasive species
• Long term change in forest distribution and conditions associated with climate trends including risks from infestations of invasive species, insects, and disease
• Increased risk of wildfire particularly within the rural-urban forest interface and the increasing value of property at risk from wildfire
• Changing ownerships of private lands and associated challenges with promoting forest conservation and stewardship
• Adverse federal tax policy and ineffective environmental regulatory policy that otherwise discourage perpetuation and management of forest land
• Efficient and cost-effective capability of forests to reduce carbon pollution that contributes to climate change
• Capability of trees in developed areas to reduce energy use and mitigate climate change impacts to the human population
• Existing traditional forest products markets are experiencing an increased level of competition for raw material feedstocks
Potential Strategies and Farm Bill Implications
In response to Issues and Opportunities, the following strategies and potential Farm Bill components have been identified for further consideration.

FORESTRY TITLE
Budget, Funding and Program Structure
1. Authorize a study by the Secretary of Agriculture in coordination with the Secretaries of Defense and Interior to assess needs, opportunities and recommendations for pilot projects for enhancing and rewarding the management of private forestlands that directly or indirectly contribute to the missions of military bases and installations, promote energy independence, assure the availability of large scale water supplies and other matters of potential consequence to critical infrastructure of the U.S.
2. Establish budget flexibility to allow a specified transfer (percentage) of total Cooperative Forestry Assistance Program funding to meet objectives contained in the State Assessment and Strategy
3. Provide adequate financial and analytical support for updates of State Assessments and Strategies
4. Amend Sec. 8 Forest Health Protection to include language relative to invasive pests of all types (plants)
5. Oppose policies that may reduce or limit forestry related components, particularly associated with Conservation, Forestry and Research Titles

Urban and Community Forestry
1. Enhance Urban and Community Forestry Programs to emphasize climate mitigation and energy efficiency
2. Enhance Urban and Community Forestry programs that emphasize integrated management of forested watersheds with utilities infrastructure
3. Review potential for amending Urban and Community Forest Program to include authorities similar to those proposed in HR 2222-Green Communities Act (SchwartzPN/111th Congress)
4. Develop an Urban and Community Forestry Program component that promotes the role and contribution of tree cover to public health and related social values
5. Develop necessary authorities for the Secretary of Agriculture to provide immediate and specific emergency response to local governments for urban forest restoration following catastrophic storms

Production and Markets
1. Support existing traditional forest products markets by providing programs that increase technical and financial assistance for such purposes
2. Revise and reauthorize as necessary with appropriate funding the Cooperative National Forest Products Marketing Program (Sec 18—16 USC 2112) with
emphasis on market development and assistance consistent with State Assessments and Strategies

Water
1. Reauthorize the Watershed Forestry Assistance Program

**CONSERVATION TITLE**

**Production and Markets**
1. Provide incentives for the development of markets for ecosystem services, building on previous authorizations in the 2008 Farm Bill
2. Provide incentives for sustainably producing forest biomass for renewable energy from well-managed forests, particularly where tree planting is used to restore native forest species and/or reestablish unique forest ecosystems

**Agroforestry**
1. Promote opportunities to incorporate agroforestry components in Conservation Title programs

**Budget, Funding and Program Structure**
1. As may be feasible, reallocate a portion of the current 60 percent dedicated funding for livestock in EQIP for high priority forest resource projects
2. Alter Conservation Title programs such as Conservation Stewardship Program, Environmental Quality Incentives Program (EQIP), Healthy Forest Reserve Program, Conservation Innovation Grants, Cooperative Conservation Partnership Initiatives and others to include special project ranking benefits or values for jointly identified areas
3. Amend Conservation Title programs such as Conservation Stewardship Program, Environmental Quality Incentives Program (EQIP), Conservation Innovation Grants, Cooperative Conservation Partnership Initiatives and others to include special project ranking benefits for high priority prescribed fire projects such as Wildland Urban Interface and other fuel removal methods
4. Reauthorize funding for the Wildlife Habitat Incentives Program
5. Oppose policies that may reduce or limit forestry related components, particularly associated with Conservation, Forestry and Research Titles
6. Increase enrollment cap and/or acreage payment limits on Conservation Stewardship Program for forestry projects
7. Qualify expired Conservation Reserve Program tree planting projects to be specially enrolled in Conservation Stewardship Program
8. Provide for adjustments in Conservation Title programs that currently limit participation based upon adjusted gross income, enrollments caps, cropping history and/or required timeframes for project implementation
9. Support potential consolidation of certain Conservation Title programs if the adjustment facilitates forest landowner participation in those programs, improves agency program delivery and efficiency, and maintains adequate funding to meet conservation needs
10. Base CRP rental rates on opportunity costs, ecosystem benefits, and rural economic benefits

11. Modify CRP focus to air and water quality and increase environmental benefits scoring based on ecosystem services provided including clean air, clean water, carbon sequestration, etc.

12. Develop climate adaptation cost-share and/or payment practices for Environmental Quality Incentives Program, Conservation Stewardship Program, and/or Conservation Reserve Program

Technical Assistance

1. Improve availability and amount of technical assistance funding provided in forestry related Conservation Title programs; consider transfer of financial assistance funds to address expanded technical assistance needs

2. Improve flexibility and efficiency for nongovernmental organizations and other private sector entities to implement Technical Service Provider provisions

Reserve Programs

1. Provide for multiple/extended re-enrollment periods for Conservation Reserve Projects associated with particularly significant forest ecosystem services

2. Reauthorize or modify intent and purpose of Healthy Forest Reserve Program (see Tax and Trade Title)

3. Reauthorize Wetland Reserve Program

Water

1. Develop specific Conservation Stewardship Program component to address high priority watersheds relative to water supply quality and quantity issues

ENERGY TITLE

1. Develop specific Conservation Stewardship Program component to address high priority watersheds relative to water supply quality and quantity issues

2. Provide incentives for sustainably producing forest biomass for renewable energy from well-managed forests, particularly where tree planting is used to restore native forest species and/or reestablish unique forest ecosystems

TRADE AND TAX TITLE

1. Where domestic markets do not otherwise exist, provide financial assistance to small and medium-size businesses engaged in the export of forest products, particularly renewable energy products

2. Provide an exclusion or special estate tax relief for forestland that is subject to a Forest Stewardship Plan or comparable plan

3. Provide tax adjustments for timber casualty loss that are more correlated to actual market values at the time of loss

4. Increase the maximum reforestation deduction amount to $25,000 per year and expand eligibility to include expenditures for conservation, wildlife, and habitat improvement.
5. Reinstate the 10% reforestation investment tax credit
6. Establish investment tax credits for silvicultural investments that enhance ecosystem services and research & development on family forestlands
7. Incorporate intent and purpose of Healthy Forest Reserve Program into tax code provisions including expansion of endangered species recovery expenditures as authorized in the 2008 Farm Bill

CREDIT TITLE
1. Provide landowner the option to donate conservation easements in lieu of debt payment for federal loan programs

RESEARCH TITLE
1. Provide increased funding and/or program emphasis to Forest Inventory and Analysis (FIA) Program that improves statistical resolution and data sets to support effective market analysis, forest health monitoring, climate adaptation, and planning and development of urban tree/forest baseline data
   a. Redirect USFS Forest and Rangeland Research budget to support appropriate FIA Program structure (approximately $76 million annually)
2. Support proposed improvements and capabilities of University Extension relative to technical assistance services for forest landowners
3. Oppose policies that may reduce or limit forestry related components, particularly associated with Conservation, Forestry and Research Titles

MISCELLANEOUS TITLE
1. Pending resolution of legislation to address certain regulatory policies of the Environmental Protection Agency, propose similar approaches within appropriate titles of the Farm Bill

HORTICULTURE AND ORGANIC AGRICULTURE- PEST AND DISEASE SUBTITLE
1. Adjust authorities to improve interstate cooperation for detection and eradication
2. Revise authorities to develop efficient risk assessment and expedite rapid control response
3. Support continued funding ($50 million/year) as authorized for the Early Plant Pest Detection and Surveillance Improvement Program (Section 10201, 2008 Farm Bill)

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