

Family Forests in Washington – A Vision for the Future

Overview

Concerned citizens, groups and public agencies across the state of Washington are beginning to understand the unique contributions made by family forest landowners to the conservation of clean air, clean water, wildlife habitat and our state's quality of life. For most family forest landowners, maintaining their working forest is a labor of love, and often a low-return investment that demands significant time and hard physical work.

And yet, regulations adopted over the past few decades have made it much more difficult for family forest landowners to remain working on the land. Family forest landowners often feel under siege, inundated with regulations and bureaucracy that seems designed to hinder rather than help them maintain their working forests.

Family forest landowners are working hard to preserve this quality of life by managing their forests through responsible forest practices that do no harm to public resources. Family forest landowner representatives are working closely with tribes, and state and federal agencies to achieve this goal.

Society tends to overlook the fact that if we want to keep the forests, we need to keep the owners. We need to find better ways of keeping forest ownership an attractive option that engenders public support and respect.

Public Awareness and Appreciation

The public demand for tougher laws and regulations to preserve the environment has had the unintended consequence of faster rates of conversion of family forestland to other, non-forested uses.

If the public better understood the public benefits of active forest management, especially the benefits of family forestland owners who manage for widely diverse goals, their greater appreciation would lead to better policy decisions and more accommodating regulations. Greater public awareness and appreciation would enhance our pride of ownership, which in turn would also help lead to slower conversions; legacies of family stewardship for more generations; and increased conservation of forestland in perpetuity.

Just imagine the power of a paradigm shift if public opinion considered the practice of forest management an honorable profession (or even a calling), attracting more families to “do their part” by becoming stewards of their own parcel of forestland as a way to give something back to society!

State Agency Recognition and Promotion of the Ecological Benefits of Working Forests

Washington's Legislature and regulatory agencies have taken significant steps forward in the last half dozen years to address concerns raised by family forest landowners and the communities that support them.

These steps include the creation of the Small Forest Landowner Office in the Department of Natural Resources, a Forest Riparian Easement Program, revised road maintenance and abandonment plan statute and regulations with the creation of the Family Forest Fish Passage Program, and an Overstocked Stand Template.

Despite generally good agency intentions, Washington State's historical formula for small forestland regulation remains invasive, prescriptive, and mistrusting of stewards of private forestland. These adversarial relationships are ultimately lose-lose for the landowner and the public. This stands in stark contrast to the regulatory scheme of the state of Oregon, which is far less adversarial.

We believe many of today's forest practice regulation issues will be minimized when family forest landowners are rightly seen as a major part of the solution to environmental issues, rather than part of the problem. Regardless of management intensity, forestland inherently provides more habitat/resource protections than any other land use! State agencies owe it to their constituencies and their mandates to advocate for and facilitate public understanding of the importance and public benefit of retaining working forests.

Most landowners believe that we should be able to rotate our crops nearer to the edge of most streams and believe we can do so without impacting public resources. Many of us believe that science will eventually support some level of streamside harvests. We believe agency folks should be more helpful keeping us on the landscape with creative options to harvest more, while protecting significant resources. Rather than being encouraged to do more good, we tend to be forced to prove the negative, or face ever-increasing and complicated rules designed to cover every contingency.

We believe the state has a fiduciary and environmental responsibility to be the lead in educational outreach efforts intended to promote economic viability on private and public forestlands. Economic viability is key to long-term sustainability of all private forestland. Economic viability is also key to the intergenerational ownership most family forestland owners strive for.

We further believe the state has a fiduciary and environmental responsibility to be the lead in advertising to the public and wood product buyers that our strict forest practice regulations should make all forest products from Washington State worthy of environmental "certification" without further regulations/restrictions. Promoting the environmental benefits of our forest practice regulations/protections could help retain forest resource businesses (better markets) and the tourism climates for Washington.

In addition to greater public and agency support, our vision for the future of Family Forests in the State of Washington includes changes in two broad categories – Regulatory and Legislative. The balance of this document outlines those changes.

Our Vision for Family Forest Regulation

We envision a Washington State regulatory universe where:

Family Forest Management Plans are approved, providing a long-term benefit to the public and the landowner.

A family forest management plan would provide:

A means to develop a customized approach to forestland management that will provide the incentive to maintain land in forestry while protecting public resources.

Long-term certainty for both landowners and public resources.

Appropriate credits to individual landowners for unique and substantial resource protections.

Trust building between landowners and regulatory agencies that can lead to paradigm shifts and greatly enhanced partnerships.

Plans particularly suited to the larger / more active “good guy” family forestland owners.

A viable Eastside Imminent Mortality and Restoration Template is approved, providing long-term benefits to the landowners and all those depending on healthy riparian stream buffers in eastern Washington.

Eastside forested stream buffers are often destroyed by insects and other pathogens, losing the riparian functions associated with healthy buffers. If identified soon enough there is a short window of opportunity for the landowner to salvage enough dead and dying trees to pay for appropriate restoration efforts.

Dead and dying trees are more highly susceptible to fire and associated negative impacts to the stream functions.

This template has to be simple to use, with strong guidance for evidence of pathogens, and a consensus of state and private qualified forest practitioners to ensure treatments are both needed and appropriate for the long term health of the stream buffer.

A usable Hardwood Conversion Template is approved that helps move us towards desired future condition (DFC).

This is the most frequently used Alternate Plan and therefore most appropriate for a less cumbersome (for all) template.

“Low Impact” harvests are encouraged with a 20-mbf commercial harvest exemption.

Micro harvests like this are presently discouraged by our regulatory process to the point that folks sometimes avoid good forest practices (thinning, salvage, forest health).

Limited by the current 5-mbf personal use exemption (Class I), many folks simply disregard the permits, rules, and taxes – or worse yet they avoid appropriate best management practices. Making very small harvests possible with minimal paperwork will bring folks back into compliance, make them more apt to follow the rules and pay the harvest taxes.

20 mbf is enough to take care of many routine low/no impact salvage operations while making it more affordable to more actively care for their forest.

This regulatory change would particularly suit the really small family forestland owner, especially those with forest health issues &/or those that prefer the really light touch harvest schedules over a longer period of time. We are trying to get folks to incorporate “Firewise” planning on their forested parcels, but tend to lose them when they see a mountain of paperwork, permits, fee’s, and Moratoriums.

Incorporating a maximum of 20mbf of commercial harvest in a Class I Permit solves all the disincentives discouraging low impact harvests.

This is a win-win that encourages & enables more folks to do the right thing!

Forest Practice Regulations are truly simplified for family forestland owners & where simplification isn’t possible, technical support and expertise is provided.

The 3 tiered buffer systems are simply too complicated for most of us to understand and implement.

Real simplification of the permitting process; simpler buffer requirements; and illustrated instructions that are understandable by the average family forestland owners are all needed.

Stream typing instructions are too complicated and costly for most of us to understand or locate accurately – technical support is needed.

Family forest owners’ management diversity and conversion options (& environmental consequences) are appropriately considered in the CMER process.

In addition to science, adaptive management should be more concerned with the relative environmental differences between forested land and developed land because those are the environmental choices we are faced with each day. CMER should be analyzing these differences to sharpen the choices for policy folks that must look at the landscape, not just one parcel that is theoretically going to stay in forestland.

Adaptive Management and CMER seems directed towards one size fits all which can add risk to the answers and seems to disregard the options and benefits of variability and diversity that are the natural history of our forestland, a diversity best represented by the diverse management styles of thousands of individual family forestland owners with a multitude of objectives – far beyond just growing timber for harvest.

Family forestland owners would like to continue to develop better relationships with all our neighbors, especially our tribal neighbors.

We share a common bond with the land now in our care and value the past and future legacy of the land.

We struggle to understand different forest practice rules for different people. We are confused and frustrated at times by seemingly endless negotiations over who can do what on the land now in our care. We are eager to work together toward common goals (e.g., I personally would love to have tribal folks hunting bear on my property year around and would be delighted to provide ready access).

Our Vision for Family Forest Legislation

We envision a Washington State where:

The Legislature supports programs that encourage folks to voluntarily keep their forestland forested longer, or even in perpetuity.

Such long-term programs include lease or purchase of development rights; a more vigorous transfer of development rights program; bonus programs for cluster developments that establish permanent resource parcels, all of which slow or stop the land conversion out of forestry.

Economic reality will necessarily force much of our forestland to convert over the coming decades unless these rights are preemptively leased or purchased. Many family forestland owners would prefer their land stay forested, but the ever-increasing value of the land eventually precludes continuation in forestry (and all its public benefits). Recognition and rewards to landowners voluntarily forfeiting rights to develop their property is key to keeping forestland perpetually in forestry. Growth Management rules should promote these voluntary incentives, rather than continuing the current top down onerous regulations imposed on rural folks.

Family forest owners' land is generally closer to the populated areas and therefore the most at risk of conversion.

Legislative action that allows County options for more conservation taxes would help fund these programs and leverage state/federal matching funds.

Legislative action that facilitates increased density in the urban areas by using rural development rights could make the most impact over the long term, without cost to the taxpayers, without "taking" private property rights, – and by fulfilling the promise of Growth Management long term!

The Legislature enhances funding for Stewardship style programs (historically provided/coordinated by DNR Stewardship Service Foresters) to reinvigorate and centralize the well-intentioned but declining services of the DOE, WDFW, US Fish & Wildlife, USDA, WSU, & the U of W.

While we have gained the support of, and greatly appreciate the Small Forest Landowner Office efforts to help us cope with the higher regulatory burden and complexity of Forest and Fish we have gradually lost nearly all the Stewardship programs and staff valued so highly by newer forestland owners trying to learn how to be better stewards of their land. These disappearing

Stewardship Service Foresters truly added trust and confidence in the often joked about statement “I’m from the government, I’m here to help you.” The most onerous and complicated forest regulations relate to forest and stream critters and the water we all use. WDFW & DOE stewardship incentives, both regulatory and financial, for various habitat stewardship projects would yield dividends for the critters and the agency/landowner relationships.

Family forestland owners have difficulty distinguishing between the various agencies and programs. Agency service can be more effective and more easily accessed by providing landowners improved “one stop shopping” by enhancing rather than further reducing staffing.

The Legislature directs, funds, and empowers WDFW to provide help to family forestland owners experiencing excessive wildlife damage.

Mountain beavers, deer, elk, and especially black bears can wipe out years of work and investment that precludes maintaining economically viable forestland.

These problems are manageable by most family forestland owners; but due to our relatively small parcel sizes, when the damage becomes significant, it’s catastrophic because we aren’t able to average it out over larger acreages.

These issues seem to be greater near state or federal forestland where excessive damage is less likely to be controlled. State &/or Federal owners would normally be considered good neighbors but not when bear damage, for example, is uncontrolled &/or uncontrollable.

Recommended improvements include: Agency help resolving significant problems, rather than merely providing regulatory or enforcement services; a more liberalized, trusting, & less costly depredation process; help with feeding programs; help with snaring; special micro hunts; agency removable of state owned problem animals; and payment for excessive damage (as is the case with Ag folks). Family forestland owners need a fuller menu of options for those scattered landowners most impacted with excessive localized populations of the State’s wildlife. For example, offer forestland owners attention that’s similar and equivalent to that provided to Ag. and urban folks having wildlife issues.

Moratorium requirements are reduced or eliminated, especially for those committed to long-term forestry.

6 year moratoriums are a significant disincentive to best management forest practices in the eyes of many family forestland owners, especially routine activities such as thinning, salvage, and forest health work.

Moratoriums were a response (prior to GMA implementation) by the state to developers buying forestland, harvesting under the old rules, and then converting the land, without appropriate oversight by the counties. The good guys were caught in the middle of State and County politics. Today’s forest practice regulations are far more stringent and in many cases more stringent than county regulations.

Today, many Counties are reluctant to allow conversions of forestland if they see any recent harvest activity, regardless of any moratoriums or Forest Practice Applications.

Moratoriums are a “cloud on the title” that unfairly punishes the “good guys” wishing to practice forestry. Moratoriums don’t apply to most industrial landowners, nor do they apply to the Ag lands that are equally susceptible to conversion.

Moratoriums no longer seem relevant, especially to the landowner who is forced to place & pay for a cloud on property they have owned for years/decades.

While some counties readily support active forest management by accepting state forest practice regulations as appropriate and adequate for their county with a minimum of paperwork, many forestland owners continue to have problems with time delays, expense, and burdensome paperwork for routine forest practices. Platted parcels are especially troublesome as the DNR doesn’t want to be involved and some counties don’t understand the need for best management practices on timbered parcels that have been platted, often resulting in no management. These overlapping and duplicative permits/jurisdictions continue to be a disincentive to keeping forested land forested.

The Legislature directs funds and empowers DNR to provide help to family forest landowners regarding forest health and fuels reduction efforts.

- Eastern Washington faces serious high-risk forest health problems. The forests are overcrowded and trees are infested with or susceptible to insects, disease, wind, ice storms and fire. The causes and contributions to these susceptible conditions include fire suppression, past timber harvesting and silvicultural practices, and the amplified risks that occur when an urban interface penetrates forestland.
- These unhealthy/high risk situations occur not only on some private forestlands but also more significantly on intermingled public lands (US Forest Service and DNR managed lands). These situations cause undue and disproportionate risks to family forest landowners. Family forestland owners wish to be proactive rather than wait for nature’s response to unhealthy forest conditions.
- Urban interface encroachment causes diversion of forest fire suppression resources to protect homes and other improvements. We are concerned that we will be forced to pay a disproportionate share of the ever-increasing fire protection costs while we wait for the political will needed to seriously address our forest health issues.

- Portions of the unhealthy conditions are related to environmental constraints including the inability to economically manage various buffers. Long-term forest health issues should trump all others, especially in eastern Washington.
- Recommended improvements include: The State Legislature adequately fund efforts to coordinate the Department of Natural Resources Strategic Plan for Healthy Forests with all landowners/land managers and that higher priority be placed on the technical assistance and cost share programs being offered to family forest landowners to reduce forest health and fire risks on their own properties.

Forestland is eligible to benefit from all State and State-supported programs designed to reward good stewardship of wetlands and stream buffers.

Many programs designed to enhance habitat on one type of private property disappear as soon as streams or wetlands are in another property classification, such as forestland. Why? Is that fair?

Not only do the incentives typically disappear on “forestland”, they are replaced with onerous regulations far more controlling than what applies on the adjacent land uses that are clearly less environmentally beneficial to public interests. The Conservation Enhancement Reserve Program (CREP) is an example of a great state and federally funded program for Ag farmers that specifically exclude tree farmers.

If the goal is to make all other landowners provide more habitats like forestland owners provide, why punish us with tougher regulations and exclusion from voluntary incentive programs attempting to model our behavior?

Family forestland owners would like to have more equity and parity in land use laws that allow all other farm harvests, cattle, houses, and septic tanks to be closer to streams than we are allowed to conduct regeneration harvests once every 50-60 years?

The Legislature fosters development of programs that support the creation of statewide markets for ecological services provided by family forestlands such as markets or incentives for carbon sequestration, biomass fuels, clean water (filtration and conservation), clean air, wildlife habitat, and other environmental benefits.

The State recognizes the significant financial and environmental benefits to the public from sustainable forest management and conservation. The development of markets for ecological services would help the “economic viability” needed to retain existing private forestlands.

Special attention needs to be directed at the smaller parcels, typical of most family forestland owners because they are most vulnerable to conversion. Participation in statewide/nationwide markets will not be possible, especially for small family forestland owners without support from the state. First, public investments are needed in research and development on how to measure the many conservation values provided by private forests; and, second, research and demonstration projects are needed on how regulatory and

market approaches might be used to best incentivize landowners towards sustainable production of public environmental benefits.

The Legislature supports recognition of our high forest practice standards by seeking group environmental “certification” of all legally harvested wood without further regulations or fees, potentially enhancing the state’s forest product markets and perhaps even having a positive effect on tourism.

Forest Practice regulations more protective of the environment than nearly every other place in the world should receive appropriate recognition
Group “certification” of family forestland is not practical without state agency support.
Higher levels of “certification” would still be possible for those who desire it.

The Legislature enacts legislation that reduces landowner liability/risk of adverse impacts when the public accesses private land (with or without permission) and when neighbors object to appropriate and legal best management practices.

Over time, significant abuses of public access privileges have closed most private land, largely due to illegal dumping and inappropriate road and trail use by a variety of vehicles, w/o effective enforcement of existing laws even if the perpetrator is caught.

The very real fear and cost of being sued by visitors, including trespassers, is another huge deterrent to allowing public access.

Greater access to private lands will occur with better enforcement/protections against illegal dumping, and greater liability protection whether access is free, enhanced by public agency incentives, or by nominal fees from the individual visitors themselves.

The Right to Farm Act needs to specifically include “passively growing trees” in its list of “Forest Practices” that are included in this act (State Supreme Court recently ruled against a timberland owner due to this apparent omission/vagueness).

Frivolous and unjustified interference occurs with our forest management by neighbors wishing to retain “their” back yard or viewsapes who are unwilling to wait the same decades we must wait for our crop to mature again. Our low frequency / low duration of activity should earn us some latitude as good neighbors, but more often simply raises the irrational expectation that we will never manage our land, no matter how infrequently.

Washington's B & O Extracting taxes are revised or eliminated so family forestland owners pay only on the net amount of money they receive when their gross log sales exceed the \$100,000 exemption.

- Currently when gross sales go over \$100,000 the B&O Extracting tax is payable on the whole \$100,000 plus the gross amount over \$100,000 regardless of what the landowner actually received.

- Double taxation can occur when the gross sales are over \$100,000 because the landowner pays on the gross sales amount and the harvester/contractor pays the B&O Extracting tax on whatever portion of the gross proceeds they get for their services. For example, if the logging costs are 50% of the gross proceeds, that means that half the logs are taxed twice – landowner pays B&O on \$100,001 and logger pays B&O on \$50,000 resulting in taxes on \$150,000 even though gross proceeds were only \$100,001.

The Legislature reviews the Forest Excise Tax for reduction / elimination.

While far less onerous than in the past this harvest tax has outlived its appropriateness. It originated as a real estate tax when the value of the standing old growth timber far exceeded the land values. This asset value relationship no longer exists for most family timberland, leaving family timberland owners with a harvest tax that’s discriminatory when compared to all other land based farm production in similar “current use” tax classifications.

Residential property taxed at “highest and best use rates” are still required to file this forest excise tax form if they sell even a single tree. Compliance monitoring on small harvests from residential parcels isn’t fruitful and compliance is likely very low. Those of us living on our tree farms typically have 5-acre minimum parcel sizes even though most of the 5 acres is in forest – we get to pay the highest and best use residential rates and still have to pay Forest Excise taxes on timber from that same parcel.

“Small Harvesters” provide approximately 10% of these harvest excise tax revenues, yet many of the tax forms cost more to process/collect than funds received. Just as important, these tax returns for marginal tax receipts create an unnecessary paperwork burden on the landowners, especially family forestland owners who may have only one or two harvests in a lifetime. Exempting the tax liability/reporting requirements on at least the first 50 mbf annually would help most family forestland owners and make a significant reduction in the paperwork required to administer.

At the very least, the “Small Harvester” portion of these harvest taxes should go back into support encouraging family forestry, i.e. via the Small Forest Landowner office, support for DNR Stewardship Forestry, WSU Forestry Extension, &/or other agencies proactively working towards supporting family forestry.

We recognize these taxes support the counties where many of us live, but forest excise taxes, replacements, or their predecessors are no longer appropriate or fair.

The Legislature enacts laws that preclude imposition of property taxes on forestland taken out of production by environmental laws.

Not only would this be the fair thing to do, it could become an incentive to landowners to provide even more environmental benefits – a shift in the paradigm!

Based on the public values provided, additional property taxes should be waived in exchange for a portion of the public values provided by keeping our land forested.

The Legislature supports a statewide fish passage barrier program.

The Family Forest Fish Passage Program is a fine example of win-win with a common sense approach to priority.

Including others to the same standards downstream of our forest areas would increase the rate of stream recovery.

Conclusion:

Family forest owners believe all these issues are legitimate concerns that if acted upon would all benefit Washington State by making a significant impact on keeping thousands, perhaps millions of acres of forestland forested. Are they all practical or achievable? - Only long-term eternal optimists like tree farmers would dare think so!

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Unanimously approved by the Executive Board of Washington Farm Forestry Association
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