



2017
**Maryland Forests
Association
Legislative Handbook**



**Celebrating 41 Years
of Service**
www.mdforests.org

MFA envisions a future in which vibrant forests are maintained throughout the State, providing diverse economic and environmental benefits to all.

Who We Are

Maryland Forests Association, Inc.

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The mission of Maryland Forests Association is to conserve and enhance forests in Maryland by:

- increasing **awareness** of the diverse, public benefits of forests;
- supporting the **sustainable** use of forest resources;
- promoting economic opportunity for forest **landowners**; and
- maintaining a viable **local forest products industry**.

The MFA strives to accomplish this mission by:

- fostering dialogue with members, educators, legislators, regulators, media, students, environmental organizations, and others about Maryland's forest resources and forest issues;
- monitoring and influencing legislation and regulation that affect forests and the forestry community; and
- building alliances with other associations, agencies or entities.

Structure and Organization

MFA is a nonprofit 501(c)(3) organization, chartered in 1976, whose membership includes individuals and companies from throughout Maryland and the tri-state area. Our members are dedicated to promoting the maintenance of a healthy and productive forest land base to enhance the economic, environmental, and social well-being of all.

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**For further information visit our
website:**

www.mdforests.org

ISSUE 1 SUPPORT FAMILY FORESTS

Most of Maryland's forests and woodlands are privately owned. To ensure these forests continue to provide a myriad of benefits - clean water, carbon sequestration, renewable energy supplies, rural jobs and wildlife habitat- State Legislature must recognize the rich Forest History of Maryland and the importance of enabling legislation, such as the 2009 Sustainable Forestry Act.



Most of Maryland's family forest owners are "**land rich and cash poor**" with the majority of families owning less than 25 acres. Issues that prevent Maryland's forest landowners from retaining their land are complex, and include, urban development pressure, dissolution of forestry-based economic infrastructure, unskilled workforce, estate tax, and other taxes that many simply cannot afford.

This is a critical issue for Maryland's Forests and the health of the Chesapeake Bay. Simply stated, the U.S. Forest Service research shows that:

- forest owners are more likely than the general population to incur the federal estate tax;
- as development pressures and land values escalate, the number of woodland estates impacted will continue to rise;
- more than one-third of the 10 million U.S. family forest landowners are over 65 years old;
- less than 4 percent of U.S. family woodlands are protected from development with conservation easements.

MFA Supports our State Legislature and Members of Congress that work to:

1. Reduce state and federal estate taxes for family forest landowners.
2. Support revisions to Program Open Space and Rural Legacy which enable easement sales to qualify for the existing \$5000 state income tax credit and permit local jurisdictions to support similar credits.
3. Support \$500 credit against state income tax liability for the adoption of a Forest Stewardship Plan or Tree Farm Plan.
4. Grant 50% credit against state property tax liability for forested properties under a Forest Stewardship Plan, Tree Farm plan, or conservation easement.
5. Administratively simplify processes to enable family forest landowners to participate in state and federal cost-share programs with the assistance of Licensed Professional Foresters.

The Maryland General Assembly passed legislation in 2001 allowing a State income tax credit for donations of conservation easements to the Maryland Environmental Trust.

Further legislation passed in 2016 allows for pass-through entities to claim the credit as well. The maximum credit per individual or per pass-through entity is \$5,000 per year.

Source: MD Department of Natural Resource

ISSUE 2 DIVERSIFY LOCAL ECONOMIES



The **Maryland Forests Association** is working to create jobs, conserve our forests, and help families retain and manage their land.

The U.S. Green Building Council (USGBC) supports programs and policies that hurt Maryland's family forest landowners by limiting markets for sustainable wood products from family-owned forests.

Instead of buying local, USGBC encourages the purchase of products from out-of-state and out-of-country sources. Maryland's family forest landowners need markets for their sustainably grown wood products.

Forests and woodlands serve as a line of defense in the protection of clean water and air, wildlife habitat, and recreational opportunities. Shutting family forest owners - who own the majority of the state's forests - out of market opportunities, like green construction, means these families will have a more difficult time keeping their land and providing the myriad of benefits Americans need and value.

Numerous governors from across the United States and the National Association of State Foresters have recognized the flaws in U.S. Green Building Council's approach to green building design and have called on them to change their system to ensure the LEED certified wood credit recognizes all credible forest certification programs, including American Tree Farm System and Sustainable Forestry Initiative.

MFA is working with the state of Maryland to understand and correct the flaws in USGBC's LEED program and by halting the state "trickle down" effect to local government.

MFA Urges our State Legislature and Members of Congress to:

- Urge MDGBC and USGBC to stop discriminating against Maryland's Family Forest Landowners!
- Support Maryland's family-owned forests by revising USGBC green building forest certification standards to include Sustainable Forestry Initiative (SFI) and American Tree Farm System (ATFS) programs.
- Encourage certification of DNR Lands and Tree Farm Program on private lands.
- Call on USGBC to revise its scoring process to be "pro-wood" and embrace SFI and ATFS certification processes.



FOREST FACT

... private forestlands protect and supply more than two-thirds of Maryland's drinking water and provide the majority of the raw material for Maryland's sawmills, pulp/paper mills, and other forest product businesses.

Source: MD DNR—SFC 2015 Report

ISSUE 3 BIOENERGY

Biomass—organic matter used as a fuel.

Government subsidies make burning food, solar power, and wind power “affordable” through subsidies. Over the last decade we seem to have forgotten that Maryland's Forests produce wood. We are growing timber far faster than it is being harvested, giving Maryland resource managers the luxury to wisely utilize these resources and insure they are sustained.

Sustainably-harvested forest biomass is carbon-neutral. Increasing wood use will lower carbon emissions and help transition America away from fossil fuels.

Additionally, wood is the renewable fuel of choice for rural Marylanders, particularly low and middle income families.

We can use wood to provide heat for our fireplaces. However, we can also use wood to create energy. Wood boiler/generators are common throughout the Northeastern United States.

Many states have school systems burning wood to produce heat and or energy. Programs such as these reduce utility expenses for local jurisdictions and school boards. Wood energy programs also provide jobs for rural communities and diversify income prospects for Maryland's Family Forest landowners.

Long-term revitalization and resource conservation of our rural areas requires jobs and economic growth. Using forest biomass for energy can achieve sustainable growth. Every million dollars invested in biomass energy creates 17.4 jobs - more than twice the number of jobs as the coal industry (6.8) and three times the number of jobs as the oil and gas industries (5.1). We must utilize our excess wood sustainably.

MFA Urges our State Legislature and Members of Congress to:

- Ensure that the Low Income Home Energy Assistance Program (LIHEAP) for wood pellets and cord wood is promoted in Maryland's rural area for an energy efficient heat source.
- Insure that fuel wood products are supplied by those licensed with a Maryland Forest Products Operator's License.
- Encourage Maryland to adopt the nationally recognized "Fuels for Schools Program".
- Create a wood energy utility infrastructure to enable Maryland to develop a more diverse energy stream.
- Provide family forest landowners with incentives for carbon activities, such as in the federal Forest Carbon Incentives Program Act, which will provide financial incentives for small, family forest owners who cannot or do not wish to participate in the carbon markets but can still provide valuable carbon capture and storage on Maryland's Forest Land.

"...incentivizing forest carbon activities, including through working forests, has the potential to provide timber and other forest commodities, improve air quality, enhance watershed function and water supply, create and sustain fish and wildlife habitat, contribute to scenic and aesthetic qualities, support historical and cultural resources, provide , hunting, fishing, and recreational opportunities and increase forest resiliency, while also supporting rural jobs and local economies"

- Forest Incentives Program Act of 2015

ISSUE 4 FOREST/TREE BIOTHREATS

Maryland's trees are suffering from exotic species that have entered our state primarily through international shipping and interstate transport.



Insects including the Emerald Ash Borer (China), Asian Long Horn Beetle (China), and Hemlock Woolly Adelgid (Asia), are devastating our forests and urban trees. Diseases, like those which wrecked havoc on our elm trees (Dutch elm disease) and American chestnut tree (chestnut blight) in the last century, are on the verge of an outbreak through Maryland. Environmental pollutants such as ozone, primarily caused by fossil fuel emissions, are devastating Maryland's forested ecosystem.

Since 1982, more than 400,000 acres of forests have had moderate or heavy gypsy moth deforestations.

Invasive weeds such as mile-a-minute and Japanese honeysuckle are killing forest regeneration.

The consequences of these exotic and invasive pathogens are overwhelming:

- Carbon storage is reduced and may actually increase carbon release!
- Scarce taxpayer dollars must be spent on inspections, quarantine, embargo activities and control;
- Forest Products Industry may not be able to adapt quick enough to large-scale threats or utilize infected trees;
- Government quarantine zones may instantly limit marketability of forest products;
- Reduced water quality and reduced air quality;
- Increased fire and safety risk.

MFA Urges our State Legislature and Members of Congress to:

- Fiscally and administratively support a Maryland Forest Bio-Threat Response Plan. This plan will help to insure that our state agencies, federal cooperators, Licensed Tree Experts, Maryland's Family Forest Landowners, municipalities, and forest and tree industries will have the tools in place to administratively adapt and economically respond to Forest-Tree Bio-Threats;
- Move ahead on critical issues of the 2009 Sustainable Forestry Act which enable Maryland's forest landowners to manage their forests so they remain healthy forests for the benefit of all Marylanders;
- Support financial assistance and scientific research to provide family forest owners with tools to revise their forest management plans and practices to plan for the impacts of bio-threats.

FOREST FACT

One acre of healthy, growing forest absorbs six tons of carbon dioxide and produces four tons of oxygen. This is enough to meet the annual needs of eighteen people. But, when trees are attacked by insects and disease, they begin to decay and this process is reversed.



KEY FACTS ABOUT MARYLAND'S FAMILY-OWNED FORESTLANDS

Total Forest - Maryland has 2.6 million acres of forest land covering almost 39% of the total land area.

Significant Acreage - About 76% of Maryland's forestlands are privately owned, covering more than 2.6 million acres.

Many Owners - There are 157,000 private forest owners in Maryland. This includes 1,097 certified Tree Farms® in Maryland, covering 139,021 acres.

Drinking Water Supply - Privately-owned forestlands supply more than 2/3 of Maryland's drinking water. Forestlands serve as a natural filter and reservoir for water, helping save billions of dollars in filtration and storm water control costs.

Clean Air - Trees remove carbon dioxide, sequester the carbon, and release life-giving oxygen. A healthy mature tree can absorb 13 pounds of carbon dioxide a year. One acre of forest absorbs six tons of carbon dioxide and produces four tons of oxygen. This is enough to meet the annual needs of eighteen people.

Ownership Objectives Are Diverse - Family forest owners often cite scenic beauty, wildlife enhancement, preservation, privacy, and family legacy as the primary reasons for owning land. Landscaping, especially with trees, can increase property values as much as 20%.

Sources: MD DNR Forest Service; USDA

Private owners of woods or forests, collectively own **more than half** the woods and forests in the United States.

Regardless of the size of one's property, together all private ownerships make an impact on health of the environment.

USDA Forest Service Survey 2011-2013

THE ECONOMIC IMPORTANCE OF THE FORESTRY AND WOOD PRODUCTS INDUSTRY OF MARYLAND

Forest Products Companies Depend on Family Forests for Jobs – Maryland’s forest products industry processes approximately 2.5 million green tons of roundwood annually, providing 14,000 jobs in both rural and urban communities.

Renewable Resource Based Industry Ranking—Forestry and Wood Derivatives industry, contributing \$4 billion to the state economy (28.4% of the RBI total)

The Industry of Maryland’s Forests:

- Provides over 40,000 jobs.
- Secondary wood manufacturing provides the most employment opportunities. • Primary wood-manufacturing sectors have higher employment multipliers. • Primary wood-manufacturing sectors are, on average, higher than other average multipliers of industries in the state
- Timber harvests in every County
- Over 70% of felled fiber stays in MD for further processing
- Value-added from stump to lumber is 5x
- Maryland’s Forest Industry was over \$4 billion in 2010
- 10,000 direct jobs; 40,000 indirect/induced jobs
- For every 1,000 acres private forest, 15 jobs are supported
- Each acre forest yields \$14 taxes and \$478 GDP

Sources: MD DNR Forest Service; MARBIDCO

Trees Are The Answer

No markets = no management.

Markets pay costs of management; management creates products to feed the market. That process creates corollary benefits of wildlife, water, air, and open spaces.

Different Animals Need Different Forests

Young forests generated after timber harvests attract many gamy species such as wild turkey, while older growth forests, managed with selective cutting, support the endangered Delmarva Fox Squirrel.

Volumes and Procurement

- Eastern Shore accounts for half of the Statewide sustainable harvest
- 80% of timber is procured from tracts less than 50 acres
- Almost 40% of mills rely on tracts less than 10 acres for the majority of their wood

Sources: MD Department of Natural Resources, USDA Forest Service, USDA, Economic Research Service, 2007, and The Maryland Forest Resource Fact Sheet of 2016



A healthy forest products industry helps ensure a healthy and resilient Chesapeake Bay. Without healthy wood fiber markets, forest landowners would have more economic incentive to grow houses rather than trees! Since forests, as a land cover, are the best land use for producing clean, fresh water, any loss of forestland to other uses has a detrimental effect on Chesapeake Bay restoration efforts.

Membership

MFA's members come from a wide variety of backgrounds and professions. Approximately 60 percent of our membership is composed of individual members, with the remaining 40 percent of members being businesses, hunt clubs, recreational groups, allied agencies and organizations.

Forest landowners and natural resources professionals comprise the two largest individual categories. Many of our forest landowner members are Maryland Tree Farmers®. Natural resource professionals include consulting foresters, industrial foresters, state employees, educators, wildlife biologists, forest ecologists, and hydrologists. Another section of our membership is that of Hunt Clubs and Recreational Groups. These range from small family run programs to larger clubs with dozens of members.

Our business members include both small logging and equipment businesses that have been family owned and operated for generations, and larger sawmill companies and forest products corporations that are the backbone of the forest products industry in Maryland. These companies and their employees are dedicated to assuring the supply of needed forest products while working to protect the environment and sustain the forest resource.

Leadership

MFA is led by a volunteer Board elected by the membership, with Executive Leadership elected by the Board. An Executive Director serves as the only paid staff to the Board and membership.

Finances

MFA receives no ongoing grants or subsidies. Member dues, donations and activity fees financially ensure MFA's future. These funds support the various informational and educational programs that MFA offers. Hundreds of volunteer hours are given annually by MFA's members to guarantee the success of these programs.

Contact Information for 2017 Executive Committee

Members are represented by a volunteer Board of Governors. Board members are elected to alternating 3 year terms. Officers are elected annually from within the Board and are available for your questions and comments.

MFA EXECUTIVE LEADERSHIP

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