

COMMUNITY-BASED FORESTRY FUNDING APPROPRIATIONS

FISCAL YEAR 2004 BRIEFING PAPER

Community forestry solutions require re-investment in natural resources, particularly on public lands in the West. A piece-meal approach to funding restoration and maintenance of our public lands is no longer sufficient to effectively address the extent of the deterioration of ecological and community conditions. Additionally, incentive-based approaches have produced results in improving the productivity and ecological health of America's private forestlands.

Community forestry practitioners are ready to hit the ground with these funding sources to effectively restore and rehabilitate America's forests. Enacting this funding package will provide direct investments to rural communities, providing economic stimulus while building capacity to provide long-term stewardship of public and private forestlands. Programs selected for inclusion in this funding package are meant to implement on-the-ground activities in a collaborative manner, and include strong, appropriately scaled monitoring components to ensure success.

Locally-based community forestry practitioners and their Washington policy partners are proposing these Community-based Restoration Funding Recommendations, developed on a belief that:

- The health of forests are inextricably linked to the well-being of rural communities
- Restoring natural processes must be done within an appropriate cultural context, respecting indigenous, local, and scientific knowledge,
- Public dollars must be spent prudently, serve the public interest, and recognize the role of the private sector, and
- That monitoring, public involvement, and community capacity building will provide the legacy of decisions and actions of today for future generations.

WHY ENACT COMMUNITY-BASED FORESTRY FUNDING RECOMMENDATIONS?

This work represents a sound investment for the American people:

- Community forestry creates solutions allowing for effective public participation to get projects done by bringing everyone together in a collaborative process. This collaboration can help reduce conflict over decision-making.
- Local practitioners provide long-term care for their community's natural resources. For example, if community practitioners are given a contract to re-plant a burned hillslope, they are well positioned to monitor the future survival of the trees and provide long-term stewardship to ensure future forest health.
- Management of natural resources through local community involvement is often the least expensive option, and invests directly into rural communities, creating local economic opportunities that extend far beyond the initial investment.

In preparation for the FY 2004 budget, community forestry practitioners from the western United States have identified appropriations priorities to ensure that incentives are available to complete the important work of re-vitalizing rural areas through improvements in ecological and economic well being.

WHAT ARE THE APPROPRIATIONS GOALS OF COMMUNITY-BASED FORESTRY PRACTITIONERS?

Community-based forestry practitioners are already using existing programs to enact important on-the-ground projects, so the appropriations package represents primarily existing appropriations and programs. Practitioners are also proposing three new programs to address gaps in the nation's forestry program.

This appropriations package takes a long-term view and we prefer that budget increases are moderate, but consistent, over the course of the next five years. Building community capacity and achieving ecological restoration goals will take time. The agencies will need time to build the delivery mechanisms to use increases well and communities will need time to scale-up. This practical approach reinforces our belief in the prudent use of taxpayer dollars and our interest in seeing a long-term commitment to community-based restoration. This approach should detract from the urgency of the need for these increases or a systematic approach to investing in community-based restoration. The situation for communities and forests is urgent and severe; only a long-term, strategic approach, with well-defined short-term goals, will achieve the interdependent goal of creating healthy forests and healthy communities.

Through experience with these programs in their own rural communities, practitioners have identified the following appropriations as critical to maintaining forward progress:

National Fire Plan:

The National Fire Plan has been instrumental in generating solutions to hazardous fuels conditions in many western forests. Aspects of the National Fire Plan have made critical differences as rural communities seek to deal with the legacy of 100 years of fire suppression.

Investing in fire prevention, fuels reduction and watershed restoration across public and private lands enhances ecosystem health while reducing future fire suppression costs. Community-based forestry practitioners advocate re-programming a portion of the funds used to suppress fires (e.g., \$1.7 billion in FY 2002), and re-allocate these funds for activities that will lead to long-term forest health.

Senator Ron Wyden's (D-OR) successful floor amendment to the Senate's FY 2004 budget resolution would increase funding for the National Fire Plan by nearly \$1 billion. This increase offers an excellent opportunity to allocate more funds to fuels reduction and restoration rather than reactive suppression.

USDA Forest Service, Cooperative Forestry Programs:

The Forest Service operates Cooperative Forestry programs to meet the needs of states and private landowners, including programs to provide conservation easement protection on working forestlands, stewardship of private forestlands, forest health improvements,

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technical assistance and more. These programs, a small component of the USDA Forest Service Budget, provide services to the nation's 9 million private, non-industrial forestland owners.

Of primary importance to community forestry practitioners is the Economic Action Programs (EAP). Successful at generating private economic activities, the EAP offers community forestry practitioners and others the opportunity to develop economically viable industries around local forest products, including the by-products of forest thinning projects. The EAP program is a key program through which the Forest Service builds community capacity for fuels reduction and restoration work. It needs significantly more support.

Other programs, such as the Forest Legacy program, play a critical role in maintaining productive private forestland. In Humboldt County, California, the Forest Legacy Program has been used to develop and purchase conservation easements on private forested ranchlands to prevent rural subdivisions and promote sustainable forestry practices. Participating landowners have used re-invested conservation easement payments and tax credits into improving family forestry and ranching operations, thus maintaining economic productivity and ecological health of private lands.

USDA Forest Service, National Forest System:

Certain items within the National Forest System budget provide opportunities for community involvement in natural resource management focused on assessing conditions, restoring ecosystem health, and encouraging adaptive management.

These programs focus on restoration objectives, such as removing invasive species, restoring habitat for native species, and improving aquatic conditions in our public land's creeks and rivers. These activities address widely recognized needs to improve ecosystem health. They have broad support among diverse interests and serve to build trust among disparate interest groups and communities. We advocate for involvement of communities in these programs through cooperative agreements and stewardship contracting.

Community-based forestry practitioners advocate for increased funding and focus on the following National Forest System line items:

- Inventory and Monitoring
- Wildlife and Fisheries Habitat Management
- Vegetation and Watershed Management

Bureau of Land Management and US Fish and Wildlife Service: Jobs-in-the-Woods

The Jobs-in-the-Woods programs of the Bureau of Land Management (BLM) and the US Fish and Wildlife Service (USFWS) operate in California, Oregon and Washington. Both

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programs fund innovative projects between federal land management agencies, private landowners, and community-based organizations.

In the Mattole River watershed of northern California, the Bureau of Land Management entered in to cooperative agreements with local fisheries restoration organizations to complete road decommission and stormproofing projects to reduce erosion, and they have worked with volunteer fire companies in conducting fuels reduction, trail development and facilities upgrades. Using these funds through a cooperative agreement mechanism allows local residents to take an active stewardship role on their public lands. In this area, the USFWS has funded road upgrades on private lands adjacent to a federally managed National Conservation Area to address community desires for fisheries health.

The USFWS Jobs-in-the-Woods appropriation for FY 2004 has been zeroed out. Community-based forestry practitioners advocate for the restoration of funding for the USFWS Jobs-in-the-Woods Program, and advocate for an increase to the BLM Jobs-in-the-Woods program to reflect the growing regional capacity for collaborative projects.

USDA Farm Bill Programs

The 2002 Farm Bill included a Forestry Title to ensure that private forestland owners can receive technical and financial assistance to maintain productive and ecologically healthy forests throughout the nation. The Forestry Title and other aspects of the Farm Bill include programs necessary to strengthen the forestland owner's ability to complete environmental projects and make stand improvements on their lands.

The Environmental Quality Incentive Program (EQIP) is a wide-ranging program that provides incentives and technical assistance to private landowners to conduct a variety of conservation projects. These funds have been used for soil erosion control, riparian habitat restoration, and fuels reduction.

The 2002 Farm Bill also authorized the Forestland Enhancement Program to offer private-land incentives for conservation projects. The funds for this program have not been allocated and need to be released. Community-based forestry practitioners are ready to use this Program to re-vitalize private land forests, and advocate that the program be funded in FY2004.

ARE COMMUNITY-BASED FORESTRY PRACTITIONERS PROPOSING NEW LINE ITEMS?

Community-based forestry practitioners are also proposing the addition of three new line items we believe will be necessary to ensure that existing programs can meet their land management goals.

A ***Collaborative Multi-Party Monitoring*** line item should be created to ensure that newly proposed programs, such as the recently authorized Stewardship Contracting program,

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as well as existing programs, can be properly evaluated to allow true adaptive management to take place.

A second line item, ***Collaborative Community-based Restoration*** line item is essential to institutionalizing the goals of collaboration, meaningful public involvement, and the rebuilding of trust in the public land management agencies. Creation of this line item will provide resources to the federal land management agencies to involve the public in project identification, selection, and implementation through meaningful locally based processes. The need for effective public participation depends on the agencies working with the public early in the process. Making investments in this upfront collaboration will save significant dollars in the planning process and produce projects that incorporate the goals and concerns of a wide range of interests. Providing adequate resources to support this shift in how the agency works with the public is essential.

The ***Watershed Forestry Assistance Program***, championed by the National Association of State Foresters, would provide incentives for forestland owners to invest in water quality improvements that have long-term economic and environmental benefits. This fills a critical need in response to concerns about water quality and security, and will work to solve lingering non-point source pollution problems in America's watersheds.

All three new programs should be conducted as State and Private Forestry Programs under the administration of the USDA Forest Service.

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SUMMARY TABLE OF COMMUNITY-BASED FORESTRY FY2004 APPROPRIATIONS RECOMMENDATIONS

Budget Area ¹	Program	FY02 Actual ²	FY03 Actual ³	FY04 Pres. Request	FY04 CBF Request ⁴
National Fire Plan	Fuels Reduction – USDA	\$209.0	\$226.6	\$231.4	\$300.05 (↑ 68.7)
	Fuels Reduction – USDI	\$186.2	\$185.6	\$186.2	\$200.04 (↑ 13.8)
	Economic Action Program – NFP related	\$12.4	\$5.0	\$0.0	\$15.0 (↑ 15)
	Restoration and Rehabilitation – USDA/USDI	\$62.7	\$27.0	\$24.5	\$62.7 (↑ 38.2)
	Community and Private Land Fire Assistance	—	—	—	\$15.0 (↑ 15)
US Forest Service State and Private Forestry, Cooperative Forestry	Forest Stewardship	\$33.2	\$32.0	\$65.6	\$45.66 (↓ 19.9)
	Forest Legacy	\$65.0	\$68.4	\$90.8	\$90.8 (=)
	Urban & Community Forestry	\$36.0	\$36.0	\$37.9	\$50.0 (↑ 12.1)
	Forest Resources and Information Analysis	\$5.0	\$4.9	\$4.0	\$4.0 (=)
	Economic Action Program	\$35.7	\$26.3	\$0.0	\$60.0 (↑ 60)
	Collaborative Multi-Party Monitoring ⁷	—	—	—	\$15.0 (↑ 15)
	Collaborative Community-based Restoration ⁷	—	—	—	\$20.0 (↑ 15)
Watershed Forestry Assistance Program ⁷	—	—	—	\$20.0 (↑ 20)	
US Forest Service National Forest System	Inventory and Monitoring	\$173.3	\$176.3	\$177.8	\$195.68 (↑17.9)
	Wildlife and Fisheries Habitat Mgt.	\$131.9	\$133.5	\$134.8	\$148.38 (↑ 13.6)
	Vegetation and Watersheds Mgt.	\$190.1	\$190.6	\$192.6	\$211.98 (↑ 19.4)
Jobs-in-the-Woods Programs	JITW- BLM	\$6.0	\$6.0	\$6.0	\$8.0 (↑ 2)
	JITW – USFWS	N/A	N/A	\$0.0	\$8.0 (↑ 8)
Farm Bill Programs	Environmental Quality Incentives Program	\$199.0	\$595.0	\$850.0	\$850.0 (=)
	Forest Land Enhancement Program	—	—	—	\$30.0 (↑ 30)
TOTAL		\$1345.5	\$1713.2	\$2001.6	\$2350.29 (↑ 348.69)

¹ All programs are funded under Interior Appropriations except for Farm Bill programs, which are funded through the Agriculture Appropriations bill.

² All figures in the table are x \$1,000,000.

³ The FY2003 column may include figures that have changed since the FY2003 Appropriations bills passed.

⁴ This column lists the appropriations recommendations of western community forestry and watershed restoration practitioners.

⁵ The appropriations recommendations for the Fuels Reduction programs are based on the overall amount of funding for the National Fire Plan in the FY2004 President's budget request. If Senator Wyden's budget increase proposal for the National Fire Plan is ultimately successful, the appropriations recommendation is as follows: Fuels Reduction within USDA at \$400.0 million and within USDI at \$300.0 million.

⁶ The President's request for this line item includes an increase of \$16 million for an initiative to encourage hazardous fuels reduction on non-industrial private forestlands. Community forestry practitioners encourage hazardous fuels reduction work, but think that it should be conducted under the National Fire Plan.

⁷ These programs represent new budget line items.

⁸ Although community-based forestry practitioners advocate for funding in these line items, we feel that allocations should be set on a Forest Service region level, based on need and readiness of projects.