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Written Testimony on “A 2022 Review of the Farm Bill: Forestry”
U.S. House of Representatives, Committee on Agriculture
Subcommittee on Conservation & Forestry
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Chairwoman Spanberger, Ranking Member LaMalfa and members of the subcommittee, thank you for the opportunity to submit testimony on forests in the Farm Bill. The Nature Conservancy (TNC) is a nonprofit conservation organization working around the world to protect ecologically important lands and waters for people and nature. Our mission is to conserve the lands and waters upon which all life depends. We are grateful to this committee for its longstanding commitment and investment in the future of America’s lands, water and wildlife and addressing the many timely challenges that face our forests.

The Nature Conservancy has engaged in the reauthorization of the Farm Bill and implementation of many of its programs since the Conservation Title was created in the 1985 Farm Bill. Since seventy percent of the land in the lower 48 states is privately owned, the Farm Bill presents the greatest opportunity to impact conservation on private lands. The national forest system covers 193 million acres of forests and grasslands, while more than half of the forestland in the United States (475 million acres) is in private ownership. TNC continues to engage in implementation of Farm Bill programs that benefit both private and public forests. While we enumerate our experience with programs largely enshrined in the Forestry Title (Title VIII), our interests span the conservation of forests broadly impacted and incentivized by the Farm Bill, across other titles, to ensure continued improvement in stewardship on private non-industrial forests, address forest management needs in our public forests, and combat challenges including climate change, insects and diseases, drought, and catastrophic wildfires that plague both forests and communities all over the country. Our hope is that the next Farm Bill builds on the successes of its forestry programs and delivers strong, just, equitable and inclusive outcomes while advancing conservation and community interests.

My name is Sally Rollins Palmer, and I am a native of the Appalachian foothills in Tennessee. Growing up in this beautiful region gave me an appreciation for nature and all the different people who have tended to these places as their home for centuries. Professionally, I have worked for The Nature Conservancy for over two decades, first as an ecologist – which is my academic training – and in later years on a variety of conservation planning and natural resource policy efforts. I currently serve as the External Affairs Advisor for our Central Appalachians program. Over my career, I have always been drawn to focus on how we can all work together – sharing our different expertise and experiences – to conserve our natural resources and promote our healthy co-existence with nature. My testimony will convey the perspectives of my colleagues in the Appalachian Region and across the country who share this same devotion.

Our nation's forests provide much of the clean air and water, wildlife habitat, forest products, and recreational opportunities that every American enjoys. They also produce over \$200 billion in products annually, aid in rural economies and provide almost one million direct jobs. Unfortunately, forests are facing a dire situation as wildfires continue to grow larger and hotter, insect and disease infestations spread, and forest health deteriorates. There is an urgent need to increase the pace and scale of ecologically-beneficial forest management on national forests and provide incentives for state and private land managers to reduce the risk of catastrophic wildfire and improve forest health.

Prior to the COVID-19 pandemic, several global entities – public and private – had turned their attention to steep declines in nature that risk destabilizing the very systems we depend on for our survival. This trend is expected to continue. According to the most recent findings of the Intergovernmental Panel on Biodiversity and Ecosystem Services (IPBES), three-quarters of the world's land and two-thirds of its marine environment have been significantly altered by human actions. We have lost half of the world's forests, half of coral reefs, 70 percent of wetlands and dammed two-thirds of the world's main rivers. We are witnessing this ecological crisis right here at home. It threatens the stability of the entire planet and requires bold and urgent action.

The need for more investment to halt biodiversity loss and address climate change has never been greater. The Farm Bill is a critical part of the solution, being the single largest driver of conservation investment in the United States. The Farm Bill provides the opportunity to continue to support our national, state and private forests by improving existing and developing new policies that would bring them to a healthier state. We stand ready to aid you in prioritizing key investments impacting conservation and forestry programs as you consider the 2023 Farm Bill.

At the outset, we offer The Nature Conservancy's guiding objectives for prioritizing forests in the next Farm Bill that we hope will align with your interests:

- Sustain and grow Farm Bill programs for private forests and dependent communities and promote watershed-level conservation across relevant federal agencies.
- Promote more ecologically beneficial forest management policies throughout the Farm Bill.
- Advance more climate resilience incentives and investments for forests.
- Protect the integrity of bedrock environmental laws that help govern the management of national forests.
- Ensure just and equitable outcomes in the Farm Bill also benefit minority foresters, forest landowners and workers, and enable Tribal management and/or co-management of forests alongside federal agencies.

In addition, we hope the next Farm Bill can prioritize providing maximum flexibility and access to forestry programs, particularly those also funded by the Bipartisan Infrastructure Law (BIL) with high match requirements, that create barriers for financially strapped partners and local communities needed, to make program implementation successful. The following are key forestry programs authorized in the 2014 and 2018 Farm Bill where TNC has either had direct engagement as an implementing partner or is keen to engage should ecologically meaningful modifications to programs occur in the next Farm Bill.

Forest Legacy Program

The Forest Legacy Program (FLP) is an important conservation program that has fostered federal-state partnerships to facilitate protecting more privately owned forest land. By providing economic incentives to landowners to keep their forests as forests, FLP is encouraging sustainable forest management and supporting strong markets for forest products. The program is a critical tool that invests in natural infrastructure by conserving forests that sequester carbon dioxide and protecting drinking water supplies that reduce the need for costly, human-made filtration and treatment systems. According to the U.S. Forest Service, 180 million people in over 68,000 communities rely on forested lands to capture and filter their drinking water and forested lands sequester 14 percent of annual U.S. carbon emissions.

The Nature Conservancy and our partners have been able to steward more private land conservation efforts in several states thanks to FLP-enabled conservation easements or land purchases. For example, located at the southern end of the Appalachians, the Dugdown Corridor spans 100,000-acres and 50 miles between the Talladega National Forest in Alabama and the Sheffield-Paulding Wildlife Management Areas in Georgia—a region which contains some of the most biodiverse and climate resilient forests in North America, including the last remaining vestiges of the globally rare montane longleaf pine ecosystem. The Nature Conservancy and the state of Georgia’s goal here is to acquire two tracts as a part of a larger initiative to protect and restore the Dugdown Corridor and increase the amount of publicly accessible recreation land in Northwest Georgia. Deliverables of this project include protection of 2,351 acres benefitting multiple threatened and endangered species including the federally endangered gray and Indiana bats and federally threatened fine-lined pocketbook mussel; creation of the first and only public recreational land in Haralson County; and expanded opportunities to restore the montane longleaf ecosystem.

The 2018 Farm Bill authorized \$35 million annually for the FLP and also eliminated its permanent authority to receive annual appropriations. We respectfully ask the Congress to consider increasing the authorization level for FLP in the 2023 Farm Bill while also providing maximum flexibility on the program’s non-federal cost share to enable more conservation outcomes and increasingly equitable access to utilize the program.

Collaborative Forests Landscape Restoration Program

Congress created the Collaborative Forest Landscape Restoration Program (CFLRP) in 2009 to enhance forest and watershed health, reduce risk from catastrophic megafires, and benefit rural economies through collaborative, science-based approaches to forest management. In its first 10 years, the CFLRP projects generated nearly \$2 billion in local labor income, supported an average of 5,440 jobs annually, and engaged over 400 organizations in local collaboratives. More importantly, it has attracted and generated over \$450 million in leveraged funding and in-kind contributions.

The 2018 Farm Bill authorized \$80 million for CFLRP. This has been critical to allow for the program to strategically advance the Forest Service’s 10-year Wildfire Crisis Strategy and inspire infusion of new investments such as those granted in the Bipartisan Infrastructure Law,

which is now enabling an additional twelve projects in eight states in Fiscal Year 2022 to receive CFLRP funding.

The Nature Conservancy has a long history of partnering with the Forest Service and working in collaboratives to implement CFLRP. Across the West, CFLRP projects are helping to build wildfire resilience and support rural America. From Washington State to Arizona, and from California to Colorado, projects have advanced forest and watershed health, and making important contributions to reduce risks from uncharacteristic wildfire. In Oregon alone, five CFLRP projects—on Deschutes National Forest, in Lakeview and the Southern Blues, and two recent awards in the Northern Blues and Rogue Basin, have allowed TNC to engage deeply in high-priority landscapes to complement the down payment on long-term landscape resilience and wildfire risk reduction. Similarly, in the Longleaf Pine ecosystem, TNC has been an implementing partner on the Osceola National Forest, a CFLRP project funded in 2010. After three years of restoration work, a study was commissioned to examine the economic impact of the CFLRP in the landscape. Within the Osceola area, the total economic output for all three years was over \$3 million including multiplier effects. Program expenditures also generated \$1.8 million in salaries and wages over the course of the three years within the same region of Florida and contributed \$459,000 in local, state and federal tax revenues. Such a study could be a model for future project evaluation and development of economic metrics. Similarly, also in Region 8, in Pisgah National Forest, TNC and partners have successfully completed a 10-year effort in the Grandfather Restoration Project by increasing prescribed burning and other management practices to more than 40,000 acres of the Grandfather Ranger District.

As the committee considers the next Farm Bill, we respectfully request CFLRP to remain a priority. We seek a longer-term reauthorization as well as expanded authorities of the program to address and account for climate resilience, and further strategic wildfire resilience investments.

Water Source Protection Program

Congress took an important step by authorizing a new investment through the Water Source Protection Program (WSPP) in the 2018 Farm Bill at \$10 million annually to encourage partnerships between agricultural producers, businesses, cities, and the Forest Service. We recognize and appreciate that if fully manifested as intended, these partnerships would improve forest health and benefit downstream communities, often bringing in significant new investments from non-federal partners. Despite widespread interest in WSPP across the country, it has not received dedicated funding. As growing populations and climate change place additional stress on our forests and watersheds, it is critical to invest in programs that support local, collaborative solutions to these challenges.

The Colorado River Basin impacts 36 million people in the West who rely on the Colorado River for water, food, recreation and energy, but the current 22-year drought in the Colorado River Basin points to a future of increasing challenges to forest and watershed resilience and uncertain water supplies. Well-managed forests serve as natural reservoirs, enhancing drought resilience and water-related outdoor recreation and sustaining river base flows in the summer when crops, boaters, and fish need water. Given TNC's longstanding commitment to restore and conserve the

Colorado River, we are eager to utilize the authorities of WSPP and see great promise to address watershed-level conservation challenges.

In the next Farm Bill, we respectfully request a closer examination of this program and urge you to consider the following modifications:

- Require restoration plans and activities to be based on ecological principles and the best available science and designed to enhance resilience to climate change.
- Extend program to cover adjacent and nearby non-federal lands to support an “all lands” approach to restoration.
- Establish criteria that the Forest Service should use in prioritizing projects for funding, to include (i) quantifiable benefits to water supply and infrastructure, (ii) demonstrated capacity and success of the partners in designing and implementing ecological restoration projects, (iii) amount of proposed match, and (iv) other factors
- Reduce the required non-federal match from 50% to 20%, commensurate with similar Forest Service programs, while using the percentage of match as a factor in selecting projects to provide an incentive for greater contributions.
- Increase authorized funding level to address watershed-level conservation challenges.
- Require the agency to submit an implementation plan within 180 days of enactment.

Landscape Scale Restoration Program

The Landscape Scale Restoration (LSR) program supports projects that align with the U.S. Forest Service’s priorities to reduce the risk of uncharacteristically severe wildfires, maintain or improve forest and rangeland ecosystem resilience, improve fish and wildlife habitats, maintain or improve water quality and watershed function, and mitigate invasive species, insect infestation, and diseases.

The 2018 Farm Bill established a state and private forest landscape-scale restoration fund at \$20 million annually allowing for more projects to be eligible for funding. TNC has a long history of implementing the LSR program particularly in Forest Service Regions 8 and 9. Recently, LSR awarded funding to a ‘Treesilience’ project in northern St. Louis County, MO for work on private properties. This is a unique geography comprised of 24 municipalities, and one that is particularly hard hit by the emerald ash borer. This investment is providing much-needed resources to municipalities and homeowners for necessary removal and replacement of dead or dying trees that pose risks to homes and people, and is supporting planting of new trees in neighborhoods with the most need. In Maryland and West Virginia, spanning 10 counties and in coordination with the Monongahela National Forest, the LSR program has enabled TNC and partners to conduct ecological departure analysis, innovative “on-demand” controlled fire and invasive species management. As the committee considers the next Farm Bill, we respectfully request the annual investment in the program to be expanded, particularly to urban environments, while also providing maximum flexibility for the program’s non-federal cost share to enable more conservation outcomes.

Other Key Considerations

Investing in Wildfire Resilience: Congress took a major step toward stabilizing the Forest Service and Department of the Interior budgets with the 2018 “fire fix,” for which we continue to be thankful. We continue to urge Congress to ensure the fire fix remains durable and comprehensive. An estimated 50 million acres are in critical need of wildfire resilience treatments across all forests due to the impacts of these challenges.

The Nature Conservancy has over 60 years of on-the-ground experience across the country, working with public and private partners to deliver prescribed fire programs as an ecologically based mechanism to reduce wildfire risk and improve forest health. Cross-boundary funding mechanisms such as the Hazardous Fuels Reduction projects authorized by the Farm Bill support these efforts. A TNC report¹ recommends an investment surge of \$5-6 billion per year over the next 10 years for the highest priority work of increasing wildfire resilience and providing communities with much-needed resources for infrastructure and adaptation.

The next Farm Bill can advance wildfire resilience through many specific actions, including:

- Directing the Secretary of Agriculture to coordinate with the Secretary of the Interior to encourage and expand the use of prescribed fire on land managed by the Forest Service or the Department of the Interior. Inclusion of the bipartisan proposal of the National Prescribed Fire Act can advance this objective.
- Directing the Secretary of Agriculture to establish a pilot program under which the Secretary may enter into a conservation finance agreement with a public or private person, including a for-profit or nonprofit organization, to plan, implement, and monitor a landscape-scale forest restoration project selected by the Secretary. A similar proposal has been incorporated into Sec. 104 of S. 2806 Wildfire Emergency Act.

Forest Management and Environmental Safeguards: Title VIII of the Farm Bill has shaped forest management policies to address some of the challenges that face large forest landscapes. We look forward to engaging in a dialogue on finding ways to increase the pace and scale of restoration and reducing risks posed by climate change, severe megafires, drought, insects and diseases, while also ensuring public processes and environmental protections are strengthened.

Importantly, as the Congress examines the necessary mix of incentives and investments for forest management, we seek to ensure agencies have sufficient resources and the flexibility to use available authorities and more efficient processes while maintaining environmental safeguards. These will be essential conditions for success, as will be collaboration among federal and state government agencies, Tribes, Indigenous peoples, scientific experts and other relevant stakeholders. The Nature Conservancy has demonstrated that collaborative planning efforts can achieve efficiencies of scale for management implementation, such as the recent authorization of over 60,000 acres of ecologically-sound forest treatment across the South Zone of the Cherokee National Forest. Key actions in this respect would also need to include ensuring every Forest Service region has adequate resources and capacity dedicated to comply with processes enshrined in bedrock environmental laws such as the Endangered Species Act and the National

¹ https://www.nature.org/content/dam/tnc/nature/en/documents/WildfireResilienceFunding_TNC_6-30-21.pdf

Environmental Policy Act (NEPA), and access to a minimum of two NEPA strike teams for each Forest Service region.

Natural Climate Solutions: Large-scale global reforestation goals have been proposed to help mitigate climate change and provide other ecosystem services. To accelerate reforestation, the entire “pipeline” for tree planting (i.e., from seed collection all the way to sapling monitoring) need to be scaled up, including seed collection and storage, tree improvement research, nursery production, outplanting, and post-planting treatment and monitoring. To illustrate the requirements for increasing reforestation capacity in the U.S., scientists at The Nature Conservancy and other experts have produced a new report² identifying 64 million acres of natural and agricultural lands, nearly half of the total reforestation opportunity. Accounting for different planting densities by region, it would require 30 billion trees to reforest these lands. This equates to 1.7 billion more tree seedlings produced each year for this land to be reforested by 2040.

To this end, we request Congress to consider supporting increased public and private sector capacity for seed collection and storage, tree improvement research, tree nursery expansion, workforce development, and improvements in pre-and post-planting practices. We recommend the following priorities:

- Incentivize/guarantee low-interest or forgivable loans in addition to long-term contracts to expand nursery expansion.
- Support more reforestation friendly outcomes from programs such as Environmental Quality Incentives Program (EQIP) and Conservation Reserve Program (CRP).
- Reduce the barriers for rural landowners to participate in voluntary markets for forest carbon such as those proposed in provisions of S.1107 Rural Forest Markets Act.
- Address the national shortage of seedlings needed for reforestation efforts such as those proposed in provisions of H.R. 2562 the Solving Our Shortages for Seedlings Act.
- Support funding for the Tree Assistance Program (TAP) and investing in more monitoring and research assistance.

As climate resilience is further strengthened in Farm Bill programs, we respectfully request the Congress to ensure that such actions also provide ecological benefits, as originally intended, and programs such as Healthy Forests Reserve Program (HFRP) which helps landowners restore, enhance and protect forestland resources on private lands through easements and financial assistance are expanded for their community benefits and incentivized for climate resilience.

Watershed Scale Restoration: Conservation programs and other policies in the Farm Bill are key drivers of water use and management decisions and, therefore, a primary source of solutions to our shared water challenges. The Farm Bill has the unique opportunity to enable forest restoration and fire protection efforts to improve the hydrologic function of headwater systems and strategically connect improvements with downstream flow and riparian restoration efforts.

² <https://www.nature.org/en-us/newsroom/challenges-reforestation-pipeline/>

One important mechanism for enabling watershed scale prioritization and implementation has been the Statewide Forest Resource Assessments and Strategies. These plans are important mechanisms for supporting state decision-making regarding forest management, and they promote collaborative stakeholder engagement in the process. In recent years, TNC has partnered with different states to assist with the scientific data and priorities identified by stakeholders in these strategies.

Based on our science expertise and field experiences, we request the Congress to consider innovative mechanisms to advance watershed scale restoration which strategically advance forest health efforts including the following recommendations:

- Enable Farm Bill programs such as the Regional Conservation Partnership Program (RCPP) and EQIP to advance forest restoration to benefit downstream flow and riparian restoration.
- Require strategic integration of Agricultural Conservation Easement Program (ACEP) and restoration programs such as Conservation Stewardship Program (CSP) and CRP, alongside EQIP and RCPP to prioritize funding to landowners that both maintain agricultural and/or forest production and increase drought resilience by implementing appropriate activities, projects, and use of innovative measurement technologies.
- Authorize funding for the Watershed Condition Framework (WCF) to provide a consistent, comparable, and credible process for improving the health of watersheds on national forests and grasslands.
- Alleviate match requirements and implementation barriers to programs in the Bipartisan Infrastructure Law (BIL) to further forest health and watershed restoration. Some examples of implementation barriers include BIL funding requiring its own agreements and a lack of clarity within the Forest Service regarding eligibility for BIL funding for waiver requests.

Community and Urban Forests: Given their ability to reduce the urban heat island effect and energy demand, retain stormwater, and absorb and store greenhouse gases while providing habitat for biodiversity, urban forests can help urban environments and their residents address the challenges of rising energy costs, water shortages and climate change.

The Nature Conservancy has deep experience in delivering urban forest conservation together with the Forest Service and partners in several parts of the country—from New York City to Orlando and beyond, we are advancing urban forest conservation by aiding with technical and science expertise and delivering nature-based solutions to ensure a resilient and equitable tree canopy where a majority of Americans live.

In the next Farm Bill, we respectfully request the Congress to consider ways to drive more support and investment for urban and community forests including:

- Permanently authorizing the National Urban Community Forestry Advisory Council.
- Establishing provisions for private homeowner assistance (technical and financial) for conservation actions taken to enhance tree canopy on private property, prioritizing mature tree maintenance activities and “underserved” urban communities.
- Investing in a green infrastructure tree planting and maintenance program for communities to improve air and water quality; reduce storm water flooding, water

treatment costs, and consumer energy costs; and enhance property values, public safety, and quality of life.

- Expanding key Farm Bill programs such as the Landscape Scale Restoration to include urban environments.
- Amending the Cooperative Forestry Assistance Act and Healthy Forest Restoration Act to include urban landscapes.

Forest Products and Markets: The 2018 Farm Bill authorized a research, education and technical assistance program for expanding wood energy and wood products markets. The Nature Conservancy generally supports strategies to develop forest products and markets. Such strategies should be designed to restore forests to a more natural condition, correcting the harmful cumulative impacts of past fire suppression and ecologically harmful logging practices, and to enhance resilience to a changing climate.

In certain situations, ecological thinning can help to facilitate the responsible use of prescribed and managed fire as part of efforts to restore fire to its proper role in fire-adapted forest ecosystems. In these places, facilitating development of, and fostering local markets and utilization strategies for, new value-added products from low-value material (small diameter timber and woody biomass) removed from forests during restoration projects may be necessary. Programs like the Wood for Life partnership in the western U.S. (which delivers unmerchantable logs to Indigenous residents for firewood) offer another avenue to support such utilization.

As the Congress turns its attention to doing more for wood energy and the wood products markets, we respectfully request that all such efforts are conducted within proper environmental sideboards that ensure that the overall outcome is ecologically beneficial. Importantly, the lack of, or limitations within existing forest product markets should not serve to discourage the Forest Service from engaging in critical forest management activities to build resilience.

Addressing deforestation and curbing importation of illegally harvested commodities: The Farm Bill has made meaningful contributions to addressing the importation of illegally harvested timber. In 2008, thanks to the Farm Bill, the United States—the world’s largest consumer of forest products—became the first country to ban trafficking of products containing illegally sourced wood. The Lacey Act Amendments of 2008 were adopted with bipartisan support in Congress and have contributed to reduced imports of illegally sourced wood products by 32%–44%. The amendments have demonstrated their potential for impact, yet significant delays in full implementation and sporadic enforcement continue to limit their effectiveness. Congressional oversight is vital to overcome these delays. We respectfully request the House Agriculture Committee to ensure that USDA implements the requirements of this law, phasing in enforcement of the import declaration requirement for key product categories including furniture, pulp, and paper by the end of this year.

Global forests and other important biomes—such as the tropical rain forests of the Amazon, Congo Basin, Southeast Asia and the Pacific, and Central America and the Cerrado savanna and Pantanal wetlands of Brazil—are critical for human well-being and livelihoods, biodiversity, and carbon sequestration. A comprehensive U.S. approach backed by programs, policies, funding, and diplomatic engagement is needed to ensure the long-term conservation of these ecosystems.

This includes specific initiatives to eliminate commodity-driven deforestation, forest degradation, and habitat conversion; halt bad actors from engaging in illegal timber extraction and illegal deforestation; promote sustainable livelihoods and the rights of Indigenous peoples and local communities; and protect and restore forests and other natural landscapes.

The next Farm Bill provides opportunities to curb global deforestation by leveling the playing field for American ranchers, producers and other businesses competing in the global economy, and through specific bipartisan proposals that directly address commodity-driven deforestation.

As the Congress considers its next Farm Bill, we respectfully ask that bipartisan proposals such as the FOREST Act (Fostering Overseas Rule of Law and Environmentally Sound Trade Act) are incorporated. The FOREST Act would establish a new mechanism to remove illegal deforestation from agricultural commodity supply chains by creating a risk-based due diligence and reporting framework for key imported products; establish incentives for U.S. businesses and partner countries to reduce deforestation; and update financial crime statutes to apply to criminal enterprises engaged in illegal deforestation.

In conclusion, we appreciate your leadership in examining the status of forestry programs authorized by the Farm Bill and providing us with an opportunity to share recommendations to strengthen and scale up efforts to reduce challenges such as catastrophic megafires, pests and drought – all impacts exacerbated by climate change – in support of our forests, as well as the local and Indigenous communities and economies that rely on them to thrive. We support substantial reinvestments in programs that increase forest resilience, specifically those that support collaboratively developed, science-based, climate-informed and ecologically focused activities across all forests, and help Congress advance a zero-global deforestation policy agenda. Backed by significant investment, these policies would be an ambitious and important down payment to ensure the future of forests and the role they play in achieving U.S. farm and food policy goals. We look forward to working with you and your staff to advance these aspirations.