

The Implementation of the Northern Forest Lands Council's Recommendations: An Analysis Six Years Later

A Report by

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for

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- identifying significant regional trends,
- broadening awareness of forest health and sustainability issues,
- providing a regional context for state and local decisions about forest resources, and
- analyzing the environmental, social, and economic impacts of forest land use.

NEFA seeks to accomplish this mission through the development of high quality information about the region's forests and acting as a forum for presentation and discussion of these issues.

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EXECUTIVE SUMMARY

In September 1994, the Northern Forest Lands Council (NFLC) published *Finding Common Ground: Conserving the Northern Forest* [hereinafter *Finding Common Ground*], a 178-page report with 37 recommendations directed at conserving the forests of the four-state region known as the Northern Forest (NFLC 1994a). *Finding Common Ground* was the by-product of one previous study and four years of in-depth research, data assessment, expert consultation, public meetings, and collaborative analysis. This effort was dedicated to maintaining the “traditional patterns of land ownership and use in the Northern Forest,” which consists of the 26 million acres of contiguous forest land in Maine, New Hampshire, Vermont, and New York.

This report provides an assessment of federal and state progress in implementing the NFLC’s 37 recommendations in the entire four state area. We collected implementation data for each recommendation from telephone interviews, mail questionnaires, and legislative records, and verified this information with independent documentary data. This data was analyzed to determine if each recommendation was implemented; implemented, but not as the NFLC envisioned; partially implemented; partially implemented, but not as the NFLC envisioned; or not implemented.

Overall, states made substantial progress on implementing, or partially implementing, nearly the same number of recommendations. States made substantial implementation progress on recommendations: 10 (Educate forest users and the public about sound forest management), 13 (Fund public land management agencies), 15 (Refine state land acquisition planning programs), 17 (Fund state land acquisition programs), 18 (Employ a variety of conservation tools), 26 (Promote public policy to provide forest-based recreation), and 27 (Improve workplace safety). No state implemented recommendations: 8 (Allow inflation adjustment on the original cost of timber), 19 (Exclude from income tax a portion of the gain from conservation sales), 32 (Establish consistent truck-weight regulations), or 33 (Support cooperative efforts among four state universities).

The federal government made substantial implementation progress on only three of the NFLC’s recommendations: 22 (Increase funding for Rural Community Assistance programs), 25 (Authorize and fund Community Development Financial Institutions), and 26 (Promote public policy to provide forest-based recreation). The federal government failed to implement recommendations: 3 (Fund the Stewardship Incentive Program), 8 (Allow inflation adjustment on the original cost of timber), 9 (Eliminate the 100 hours per year rule), 13 (Fund public land management agencies), 14 (Institute a national excise tax on recreation equipment), 16 (Fund the Land and Water Conservation program), 19 (Exclude from income tax a portion of the gain from conservation sales), and 33 (Support cooperative efforts among four state universities).

Three recommendations were implemented, but not as the NFLC envisioned. These were recommendations: 4 (Encourage green certification programs), 12 (Achieve principles of sustainability), and 20 (Assess water quality trends).

This report documents many accomplishments. Considerable change has occurred in the Northern Forest since the NFLC’s recommendations. Green certification, easements and other non-fee ownership mechanisms, improved workplace safety, and increased forest-based recreation are important examples. Many recommendations, however, have been only partially implemented or not implemented at all. This is especially true of recommendations directed toward Congress. Action by the Congress will require using the federal budget surplus to fund the actions or reduce tax impacts on private owners. To date, this only has occurred in the shotgun fashion commonly known as the pork barrel.

To paraphrase one of our interviewees, “the NFLC and its recommendations got people’s attention and got them talking.” We hope that this report rekindles interest in the NFLC’s recommendations both within the states and in Washington, D.C. and empowers them to implement many of the remaining recommendations.

Table 1: Implementation of NFLC Recommendations

Recommendations	Fed	ME	NH	NY	VT
<i>Fostering Stewardship of Private Land Recommendations</i>					
1. Fund Forest Legacy	PI	-	-	-	-
2. Fund state easement programs	-	I	PI	I	I
3. Fund the Stewardship Incentive Program	NI	-	-	-	-
4. Encourage green certification programs	-	I/E	I/E	I/E	I/E
5. Strengthen current use tax programs	-	PI	I	NI	PI
6. Consider replacing the <i>ad valorem</i> taxation system	-	NI	NI	NI	NI
7. Change estate tax policies	PI	PI	PI	PI	PI
8. Allow inflation adjustment on the original cost of timber	NI	NI	NI	NI	NI
9. Eliminate the 100 hours per year rule	NI	-	-	-	-
10. Educate forest users and the public about sound forest management	-	I	I	I	I
11. Assess forest practices and programs	-	I	PI	PI	I
12. Achieve principles of sustainability	-	I/E	I/E	I/E	I/E
<i>Protecting Exceptional Resources Recommendations</i>					
13. Fund public land management agencies	NI	I	I	I	I
14. Institute a national excise tax on recreation equipment	NI	-	-	-	-
15. Refine state land acquisition planning programs	-	I	I	I	I
16. Fund the Land and Water Conservation program	NI	-	-	-	-
17. Fund state land acquisition programs	-	I	I	I	I
18. Employ a variety of conservation tools	-	I	I	I	I
19. Exclude from income tax a portion of the gain from conservation sales	NI	NI	NI	NI	NI
20. Assess water quality trends	-	I/E	I/E	I/E	I/E
21. Conserve and enhance biodiversity	-	PI	PI	PI	PI
KEY					
<i>I = Implementation begun and substantial progress made</i>					
<i>PI = Implementation begun and partial progress made</i>					
<i>I/E = Implementation begun and substantial progress made, but not as the NFLC envisioned</i>					
<i>PI/E = Implementation begun and partial progress made, but not as the NFLC envisioned</i>					
<i>NI = Not Implemented</i>					
<i>- = Implementation was not the responsibility of this government or entity</i>					

Table 1: Implementation of NFLC Recommendations (Continued)

Recommendations	Fed	ME	NH	NY	VT
<i>Strengthening Economies of Rural Communities Recommendations</i>					
22. Increase funding for Rural Community Assistance programs	I	-	-	-	-
23. Encourage marketing cooperatives and networks	PI	PI/E	NI	PI	PI
24. Direct assistance to natural resource-based businesses	-	PI	PI	PI	PI
25. Authorize and fund Community Development Financial Institutions or a similar program	I	-	-	-	-
26. Promote public policy to provide forest-based recreation	I	I	I	I	I
27. Improve workplace safety	PI	I	I	I	I
28. Reform workers' compensation insurance programs	-	I	PI	I	PI
29. Review the effectiveness of administrative rules	-	PI/E	PI/E	PI/E	PI/E
30. Simplify and stabilize the regulatory process	-	PI	PI	PI	PI
31. Review land use planning programs	-	I	PI	PI	I
32. Establish consistent truck-weight regulations	-	NI	NI	NI	NI
<i>Promoting More Informed Decisions Recommendations</i>					
33. Support cooperative efforts among four state universities	NI	NI	NI	NI	NI
34. Track and analyze land trends	-	NI	I/E	NI	NI
35. Conduct and publish decennial surveys in a timely fashion	I/E	-	-	-	-
36. Use the Northern Forest Resource Inventory	-	PI	PI	PI	PI
37. Promote natural resource education for the public	-	PI	PI	PI	PI
KEY					
<i>I = Implementation begun and substantial progress made</i>					
<i>PI = Implementation begun and partial progress made</i>					
<i>I/E = Implementation begun and substantial progress made, but not as the NFLC envisioned</i>					
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TABLE OF CONTENTS

Introduction	7
History	7
Data Collection	8
Data Analysis.....	10
The Implementation of the Northern Forest Lands Council Recommendations	11
Introduction	11
Fostering Stewardship of Private Lands Recommendations	12
Protecting Exceptional Resources Recommendations	25
Strengthening Economies of Rural Communities Recommendations	32
Promoting More Informed Decisions Recommendations	42
Conclusion	46
Literature Cited	47
Appendix A: February 1997 Implementation Analysis	48
Appendix B: NFLC's Citizen Advisory Committee and Work Group Subcommittees' Questionnaire	53

INTRODUCTION

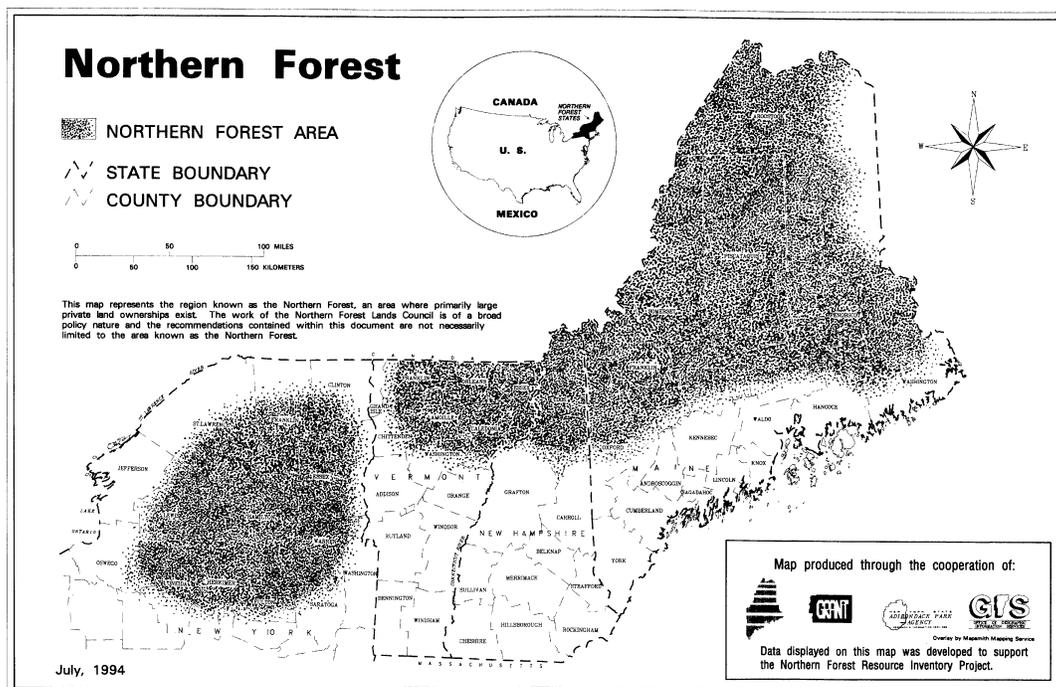
In September 1994, the Northern Forest Lands Council (NFLC) published *Finding Common Ground: Conserving the Northern Forest* [hereinafter *Finding Common Ground*], a 178-page report with 37 recommendations directed at conserving the forests of the four-state region known as the Northern Forest (NFLC 1994a). *Finding Common Ground* was the by-product of one previous study and four years of in-depth research, data assessment, expert consultation, public meetings, and collaborative analysis. The NFLC also published a several thousand page Technical Appendix of all its research. This effort was dedicated to maintaining the “traditional patterns of land ownership and use in the Northern Forest,” which consists of the 26 million acres of contiguous forest land in Maine, New Hampshire, Vermont, and New York (NFLC 1994a, 1).

This report provides an objective, up-to-date assessment of federal and state progress in implementing the NFLC’s 37 recommendations. Since the NFLC’s recommendations were intended to apply to the entire four state area, not just the Northern Forest’s 25 counties and more than 370 communities, we assessed their implementation in all the forests of Maine, New Hampshire, New York, and Vermont. We also assessed which conditions have changed since *Finding Common Ground* was published that have affected the implementation of the NFLC’s recommendations.

After reviewing the NFLC’s history, this section describes how we collected and analyzed the data in this report. The next section evaluates whether the NFLC’s 37 recommendations have been implemented individually. We then present our conclusions.

History

The Northern Forest stretches from eastern Maine through New Hampshire and Vermont across northern New York almost to Lake Ontario. The recommendations of the NFLC have their roots in 1988, when Diamond International Corporation marketed approximately one million acres of forest land. While the large blocks of forest land had been sold for centuries in the Northern Forest, this sale was different because some of these lands were marketed for their development, rather than timberland, value. The Diamond International sale sparked public and legislative attention.



Vermont Senator Patrick Leahy and New Hampshire's then-Senator Warren Rudman prompted Congress to initiate the Northern Forest Lands Study, which was undertaken by the USDA Forest Service. The Northern Forest Lands Study Report was released in 1990 (Harper 1990; see also US House 1989; US Senate 1991). A four-state Governors' Task Force on Northern Forest Lands worked with the Study and provided the state's perspectives and wrote its own report to the four governors, making specific recommendations for action (Governor's Task Force 1990). One of those recommendations was to establish the NFLC.

Congress created the NFLC in 1990 to continue the Northern Forest Lands Study and the Governors' Task Force on the Northern Forest. The NFLC was designed to examine the issues and develop specific recommendations to Congress, state governors, and state and local elected officials. The Council consisted of four governor appointments from each of the four states and one USDA Forest Service representative. Each state appointee represented one of four constituencies: forest landowners, environmental interests, state conservation agencies, and local communities. During its four years, the Council and its staff:

- created Citizen Advisory Committees in each state, representing landowners, property rights interests, environmental interests, timber industry, academia, recreation and tourism businesses, and communities;
- created work groups to serve as advisors to the Council's seven subcommittees studying specific issues;
- held regular public meetings and forums throughout the region;
- conducted issue-specific public forums on land conversion, local forest-based economies, biological resource diversity, and state and federal taxes;
- published a comprehensive *Technical Appendix* of all its research and forum proceedings (NFLC 1994c);
- released *Listening Log of Public Comments on the Findings and Options*, which summarized more than 1,000 pages of written public comments (NFLC 1993);
- released its report of draft recommendations in March 1994 (NFLC 1994b); and
- heard from and collected comments on the draft recommendations from thousands of people.

In November 1994, the NFLC released its final report, *Finding Common Ground* (NFLC 1994a). The report contained the NFLC's 37 recommendations to the Northern Forest states and Congress of how "traditional patterns of land ownership and use" could be maintained in the Northern Forest (NFLC 1994a, 1).

This report is the second to assess the states' and Congress's progress in implementing those recommendations. In 1997, Joseph Michaels, the NFLC federal liaison from the USDA Forest Service, conducted an implementation analysis that was distributed to the NFL State Coordinators, the four states' Foresters, NFLC members, and others. Mr. Michaels' analysis is included in the Appendix of this report, and can be compared with this report to analyze recommendation implementation progress during the past four years.

This year the NEFA developed a Request for Proposals to locate an organization to provide an objective assessment of the implementation progress since *Finding Common Ground* was published. SUNY ESF was awarded this contract and has collected and analyzed data in accordance with an agreement between the two parties.

Data Collection

We used multiple research methods to evaluate the implementation of NFLC's recommendations. This enabled us to collect data from a variety of sources and cross-check the accuracy of implementation information. We collected data in two stages.

Stage One: Planning and Initial Data Collection

Using the NFLC's analysis in *Finding Common Ground*, we categorized the organizations responsible for recommendation implementation into five categories: Congress, federal government agencies, state legislatures, state government agencies, and other organizations. For each category of organization, we initially used one or two data collection methods.

- *Congress* – Review of enacted legislation and telephone interviews with national stakeholder organization staff.
- *Federal Government Agencies* – Telephone interviews with federal agency personnel and telephone interviews with national stakeholder organization staff.
- *State Legislatures* – Review of enacted legislation and telephone interviews with identified experts.

- *State Government Agencies* – Telephone interviews with identified experts.
- *Other Organizations* – Telephone interviews with identified experts.

Specifically, these data collection methods consisted of:

- *Review of enacted legislation:* We reviewed federal and state legislative records for statutes that implemented the NFLC’s recommendations.
- *Telephone interviews with national stakeholder organization staff:* We conducted telephone interviews with the staff of the following national organizations to determine whether NFLC’s recommendations were implemented:
 - American Forest & Paper Association,
 - National Association of State Foresters,
 - The Nature Conservancy,
 - The Northern Forest Alliance, and
 - Society of American Foresters.

We attempted to interview the staff of the following organizations, but were unable to do so: National Audubon Society, The Sierra Club, The Trust for Public Lands, and The Wilderness Society.

- *Telephone interviews with federal agency personnel:* We conducted telephone interviews with the staff of the federal agencies to determine whether NFLC’s recommendations were implemented.
- *Telephone interviews with identified experts:* To determine experts for specific recommendations, we sent a questionnaire to each member of the NFLC’s citizen advisory committee and subcommittee work group members. The questionnaire listed the NFLC’s twenty-nine recommendations for state government or state organizations to implement and asked the respondent to identify one or two of the experts in his or her home state on that recommendation. To assist respondents, the survey contained a list of the NFLC’s citizen advisory committee and subcommittee work group members for the respondent’s home state. Appendix B contains a copy of the questionnaire. One week after mailing the questionnaire, we sent a follow-up letter. Three weeks after the questionnaire was mailed, we attempted to conduct telephone interviews with the two most often-named individuals for each recommendation in each state to discuss the implementation of that specific recommendation.

The questionnaire we sent the NFLC’s citizen advisory committee and subcommittee work group members contained two other sections. The first asked respondents to assess whether the NFLC’s six objectives had been achieved and if the following conditions had improved in the Northern Forest, by government:

- supporting property owners to hold and manage land for forest products and other benefits;
- helping communities strengthen their natural resource-based economies;
- protecting biological diversity through management based on sound scientific principles;
- acquiring lands for public ownership based on clear public priorities, demonstrated need, and fairness to landowners;
- providing public recreation on public and private land as an important part of the region’s economy and way of life; and
- recognizing that for the very long term, the use of conservation easements to protect lands from development will be needed to ensure sustainability of the forest resource in areas with significant development pressures (NFLC 1994a, 12-13).

The questionnaire contained a second section that enabled respondents to provide us with information on the implementation of specific NFLC recommendations.

In addition to these methods for specific NFLC recommendations, we contacted the four “key state contacts” previously identified by NEFA and the seventeen members of the NFLC. We conducted in-depth interviews with each of the key state contacts and all of the NFLC members that agreed to be interviewed, or their designee.

Stage Two: Data Verification

When we began this project, we anticipated that we would write our report based on the data we collected in Stage One. However, as we collected data, we encountered an unexpected problem. Our interviewees were unable to provide us with specific information about the implementation of most of the NFLC recommendations. This was due to the sheer magnitude of the NFLC’s recommendations. While there are 37 recommendations, 16 of these required federal action and 29 of these required state action. **Interviewees were only able to provide us with general**

information about the implementation of most recommendations, rather than the specific information we needed to analyze whether the recommendations were implemented.

To address this problem, we collected supplemental independent documentary data, including internal government and independent third-party reports and evaluations, on recommendation implementation. We also conducted supplemental interviews with additional government and non-government personnel on recommendation implementation. We attempted to verify all our interview data with this supplemental data. This information prevented us from relying too heavily on interviewee opinion and improved the report's reliability.

While we collected small missing pieces of data, and data that we needed to make a complete analysis of recommendation implementation until the end of October 2000, we used a September 15, 2000 deadline for recommendation implementation. We should note that this deadline caused us to evaluate some recommendations when legislation was pending that could implement the recommendation. This was particularly true for those recommendations that depended on the enactment of the Conservation and Redevelopment Act (CARA) in the Congress, since some versions of CARA would completely or partially implement a number of recommendations.

Data Analysis

For each recommendation, we analyzed all available data and made a determination whether the recommendation was:

- Implemented;
- Implemented, but not as the NFLC envisioned;
- Partially implemented;
- Partially implemented, but not as the NFLC envisioned; or
- Not implemented.

Our implementation assessment was based simply on whether the NFLC's recommendation was implemented. Our decision rules for this assessment were broad. If all or the vast majority of the recommendation was implemented, we assessed the recommendation as implemented. If some of the recommendation was implemented or some progress had been made on implementation, we assessed the recommendation as partially implemented. If little or no progress had been made on the recommendation, we assessed it as not implemented. In a few instances, the recommendation was implemented or partially implemented, but in a different manner than the NFLC had recommended. For example, the NFLC recommended that state forestry and economic development agencies encourage and cooperate with green certification programs (Recommendation 4). While green certification programs have been implemented, this has generally occurred without government involvement. Thus, we assessed this recommendation as "implemented, but not as the NFLC envisioned."

Many of our interviewees were concerned that we would interpret their comments on recommendation implementation as proof that the work of the NFLC had caused a recommendation to be implemented. We did not. Determining whether the NFLC's recommendation triggered recommendation implementation was beyond the scope of our research and is not included in our report. Our task was to ascertain whether the recommendation was implemented, not why it was implemented.

Finally, implementation assessments are only as effective as the data used in their analysis. This report evaluated the implementation of 132 recommendations by five different governments (i.e., 16 recommendations for the federal government, and 29 recommendations for each state government). We were able to locate vast amounts of implementation information for some of these recommendations. For other recommendations, it was difficult to locate any information or multiple sources of information. This report is based on the best information we were able to secure. If we omitted implementation information or incorrectly analyzed it, we take full responsibility. Such omissions or flawed analysis was not the responsibility of NEFA or any of the experts we interviewed.

THE IMPLEMENTATION OF THE NORTHERN FOREST LANDS COUNCIL RECOMMENDATIONS

Introduction

The state of Maine substantially implemented (as the NFLC envisioned or differently) more than 48% of the NFLC’s recommendations, one more than any other state. Vermont substantially implemented 45% of the NFLC recommendations, while New Hampshire and New York substantially implemented 41% of the recommendations (Table 2). Overall, states implemented or partially implemented nearly the same number of recommendations, the difference being whether the recommendations were implemented completely or partially. The federal government implemented, or partially implemented, less than half of the NFLC’s recommendations.

Table 2: Summary of Recommendation Implementation Results

Assessment	Federal Government (n=16)	Maine (n=29)	New Hampshire (n=29)	New York (n=29)	Vermont (n=29)
Implementation begun and substantial progress made	3 (19%)	11 (38%)	8 (28%)	9 (31%)	10 (34%)
Implementation begun and substantial progress made, but not as the NFLC envisioned	1 (6%)	3 (10%)	4 (14%)	3 (10%)	3 (10%)
Implementation begun and partial progress made	4 (25%)	7 (24%)	10 (34%)	9 (31%)	9 (31%)
Implementation begun and partial progress made, but not as the NFLC envisioned	0	2 (7%)	1 (3%)	1 (3%)	1 (3%)
Not implemented	8 (50%)	6 (21%)	6 (21%)	7 (24%)	6 (21%)

An analysis of NFLC citizen advisory committee and subcommittee work group members’ 52 responses (response rate equaled 32.5%) to our six statements designed to determine whether conditions had improved in the Northern Forest determined that questionnaire respondents thought that conditions had improved in two areas, remained the same for three areas, and deteriorated in one area since the NFLC issued its findings. Respondents agreed recreation opportunities and conservation easement use had improved since 1994. They thought that: property owners’ ability to hold and manage their lands for forest products; biological diversity protection based on scientific principles; and public lands acquisition based on clear priorities, demonstrated need and fairness to landowners, had remained the same. Respondents did not believe that communities had been able to strengthen their natural resource-based economies. Appendix B contains a list of our questions.

These results generally conform to the implementation of corresponding recommendations. States implemented conservation easement recommendations, such as recommendations 2 (Fund state easement programs), 17 (Fund state land acquisition programs), and 18 (Employ a variety of conservation tools). States and the federal government also implemented recommendation 26, which involved promoting public policy to provide forest-based recreation. Other successfully implemented recommendations include recommendations: 10 (Educate forest users and the public about sound forest management), 11 (Fund state public land management agencies), 15 (Refine state land acquisition planning programs), 20 (Assess water quality trends), 22 (Increase funding for Rural Community Assistance programs), 25 (Authorize and fund Community Development Financial Institutions), and 27 (Improve workplace safety).

The federal government failed to implement five recommendations: 3 (Fund the Stewardship Incentive Program), 9 (Eliminate the 100 hours per year rule), 13 (Fund public land management agencies), 14 (Institute a national excise tax on recreation equipment), and 16 (Fund the Land and Water Conservation program). The federal government and the states failed to implement three recommendations: 8 (Allow inflation adjustment on the original cost of

timber), 19 (Exclude from income tax a portion of the gain from conservation sales), and 33 (Support cooperative efforts among four state universities). The states generally failed to implement four recommendations: 5 (Strengthen current use tax programs), 6 (Consider replacing the *ad valorem* taxation system), 33 (Support cooperative efforts among four state universities), and 34 (Track and analyze land trends).

Other recommendations were partially implemented. Table 1 (page 4) contains a summary of recommendation implementation.

The remainder of this section assesses each recommendation individually, under their headings in *Finding Common Ground*. After presenting the recommendation, we provide an assessment of its implementation and the prospects for future implementation. We have also included a list of related recommendations.

Fostering Stewardship of Private Lands

Stewardship Incentives

Recommendation 1: Fund Forest Legacy.

Congress should fund Forest Legacy consistently and adequately to make it a more effective tool for protecting working landscapes. The Council recommends a Forest Legacy appropriation of \$25 million per year for the Northern Forest states. The effectiveness of the Forest Legacy Program should be enhanced by changing the existing legislation to include:

- (a) the option for state ownership of easements;
- (b) the option for direct grants to the states;
- (c) payments in lieu of taxes to communities for easements, where appropriate;
- (d) amendments to the "purpose" section of the law to include timber management as a use that Forest Legacy seeks to protect; and
- (e) funds for states to monitor easement compliance.

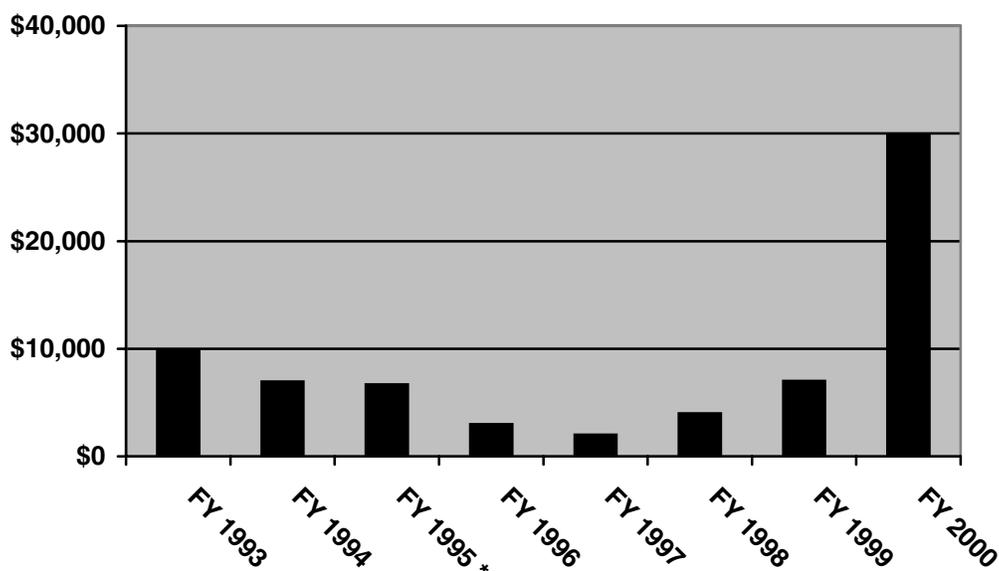
Assessment of Implementation: Implementation begun and partial progress made

From April 1993 to April 2000, Forest Legacy Program provided more than \$13 million to Northern Forest states. This money conserved 93,420 acres of the Northern Forest (Table 3). Some of these projects were funded with money appropriated after the NFLC's recommendations were issued. After declining for most of the early and middle 1990s, Forest Legacy funding increased the past three years (Figure 1).

Table 3: Completed Forest Legacy Acquisition Projects (April 1993 to April 2000)

State	Acres	Forest Legacy Payment	Total Project Value
Maine	31,398	\$5,793,000	\$6,393,000
New Hampshire	12,797	\$1,804,000	\$5,112,000
New York	638	\$337,000	\$337,000
Vermont	48,587	\$5,336,000	\$7,550,000
TOTALS	93,420	\$13,270,000	\$19,392,000

■ Figure 1: Forest Legacy Appropriations (in thousands of dollars)



* Congress rescinded \$7,800,000 of unspent funds in FY 1995, including all the FY 1995 funds, plus \$1,112,000 of prior year funds. This amount represents the original appropriations before the rescission.

While Forest Legacy funding has increased recently, Congress failed to follow the NFLC's recommendation and allocate \$25 million specifically for the Northern Forest. Interviewees asserted two reasons for this lack of implementation: regional politics (other regions of the country oppose Northern Forest-specific funding) and the lack of a coordinated regional commitment (i.e., Northern Forest states have made individual efforts to secure Forest Legacy funds, but have failed to do so as a cohesive unit).

In addition to the funding recommendation, the NFLC recommended five amendments to the Forest Legacy program. Two of these, the option for state ownership of easements and direct grants to states were implemented. The other three amendments have not been enacted.

Prospects for Future Implementation: Forest Legacy funding should increase in the future. For example, the President's FY 2001 budget recommended a \$60 million budget, and versions of the Conservation and Reinvestment Act (CARA) included more than \$50 million of appropriations for the program. Legislative and public support for CARA and the programs increase the likelihood of future implementation, as does the federal budget surplus.

Related Recommendations: 2 (Fund state easement programs), 17 (Fund state land acquisition programs), 18 (Employ a variety of conservation tools), and 19 (Exclude from income tax a portion of the gain from conservation sales).

Recommendation 2: Fund state easement programs.

States should continue to support and fund their conservation easement programs. In addition to employing traditional conservation easements to protect productive forest land from changes in use, the programs should explore emerging voluntary conservation measures such as:

- (a) acquisition and resale of development rights by the public on private lands;
- (b) term easements (easements of specified duration);
- (c) rolling easements (term easements in which the easement can be renewed at specified intervals); and
- (d) voluntary agreements.

Assessment of Implementation: Implementation begun and substantial progress made in Maine, New York, and Vermont. Implementation begun and partial progress made in New Hampshire.

Conservation easements are one of a number of mechanisms, including land acquisition, that state conservation programs use to protect the Northern Forest. Funding for these programs comes from federal and state sources. Each of the Northern Forest states have or may use cost sharing programs, such as the Forest Legacy program (see Recommendation 1), to leverage funds for their conservation easement programs. State funding sources and conservation programs are discussed below.

State conservation programs encourage multiple land conservation mechanisms, such as fee acquisition and conservation easements. They also conserve non-Northern Forest resources, such as historical structures and ocean coastal areas. Thus, funding levels for Northern Forest conservation is less than the amount listed below.

These programs do not require states to utilize the “emerging voluntary conservation measures” recommended by the NFLC. However, the programs’ flexibility generally enables their use in the appropriate situation.

Maine: The Land for Maine’s Future Fund is the state’s primary land conservation funding mechanism. The Fund was revitalized in 1999 when voters approved a \$50 million bond to finance a land conservation program. The Bond Act, and recent changes to the Fund program by the legislature, reflected 1997 recommendations by Maine’s Land Acquisition Priorities Advisory Committee. The program’s new guidelines continue the policy of voluntary agreements. The primary use must be for other than timberland use.

New Hampshire: This year, New Hampshire enacted its first state-funded land conservation program since the New Hampshire Land Conservation Investment Program ended in 1993. The New Hampshire Land and Community Heritage Investment Program (LCHIP) Act was modeled on many of the recommendations in the New Hampshire Land and Community Heritage Commission’s November 1999 report. LCHIP provides \$3 million in funding from an initial appropriation, \$9 million less than the Commission recommended, for land and conservation easement acquisition by municipalities and publicly-supported nonprofit corporations. Full funding will be debated in the New Hampshire Legislature in 2001. The program requires these entities to provide at least 50% of the acquisition resources.

New York: Since 1994, the New York State Environmental Protection Fund has provided almost \$200 million for state land acquisitions and millions more for municipal open space programs. In addition, the Clean Water/Clean Air Bond Act has provided \$150 million for land and conservation easement acquisition since 1996. In 1996-1997, \$16.5 million of the Bond Act was appropriated for open space. Appropriations increased the first three years and are now declining: 1997-1998: \$20 million; 1998-1999: \$40 million; 1999-2000: \$40 million; and 2000-2001: \$30 million. Bond Act projects focus on voluntary acquisitions. The individualized nature of project funding provides flexibility so that Bond Act funds can be used to facilitate specific NFLC recommendations. In 1999, the state purchased the largest conservation easement in its history, an 110,000 acre conservation easement covering the former Champion lands in the Adirondack Park.

Vermont: Land Conservation is primarily funded through the Vermont Housing and Conservation Trust Fund. For the past three years, state funds have averaged \$1 million per year, not including a 1999 special legislative appropriation of \$4.5 million for the Champion Lands project. The Vermont Agency of Natural Resources’ Land Acquisition Review Committee (LARC) reviews and issues recommendations on all land offers. The Agency’s Secretary considers the LARC’s recommendation and makes the final determination. In 1999, the Vermont Agency of Natural Resources completed a “Lands Conservation Plan” to guide the agency’s land acquisition and other land

conservation measures, including conservation easements. The plan encourages the use of the NFLC's land exchanges and voluntary agreements recommendations.

Prospects for Future Implementation: All four Northern Forest states have funds allocated for conservation easements. While these programs do not require the use of the NFLC's "emerging voluntary conservation measures," the programs' flexibility allows their use. The prospects for future implementation depend upon the mechanisms states have used to allocate funds. Long-term bond acts provide stable sources of income over the bond act's term. However, bond acts have limited terms. Funding based on future allocations from legislatures require continued public and legislative support for state easement programs. Future state budget surpluses would increase future implementation prospects. Continued public and legislative support for voluntary conservation measures appears likely.

Related Recommendations: 1 (Fund Forest Legacy), 17 (Fund state land acquisition programs), 18 (Employ a variety of conservation tools), and 19 (Exclude from income tax a portion of the gain from conservation sales).

Recommendation 3: Fund the Stewardship Incentive Program.

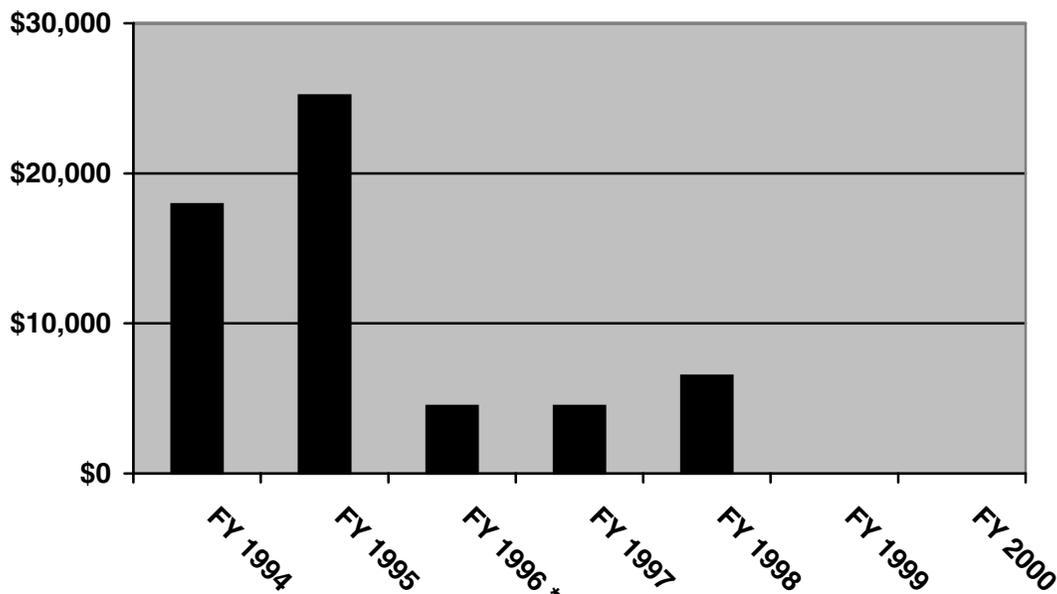
Congress should fund the Stewardship Incentive Program (SIP) at the fully authorized level. There is a waiting list of landowners who have requested SIP funds. Adequate funding for SIP will encourage sound forest management by more landowners. Practices currently eligible for cost-sharing under SIP include riparian and wetland protection and improvement, fisheries habitat enhancement, and wildlife habitat enhancement, in addition to timber management. Cost-share priority for fisheries and wildlife habitat enhancement is for activities that enhance the habitats of threatened and endangered species and species of special concern. The effectiveness of the program should be enhanced by:

- (a) eliminating the constraint that only 25% of the funds in each state can be used each year for forest management plans,
- (b) raising the 1,000 acre maximum eligibility requirement to 5,000 acres,
- (c) allowing states to provide cost-share funds for expenses related to voluntary land protection, such as appraisals and surveys, and
- (d) requiring landowners to reimburse the granting agency if conversion to non-forest use occurs within ten years of receiving the cost-share funds.

Assessment of Implementation: Not Implemented

Rather than fund the Stewardship Incentive Program (SIP) at authorized levels, Congress reduced, then eliminated, funding for the program. (Figure 2). Congress has not amended the SIP to include the NFLC's recommendations.

■ **Figure 2: Stewardship Incentive Program Appropriations (thousands of dollars)**



Prospects for Future Implementation: While the President included a \$3.25 million appropriation in his proposed budget, interviewees indicated that the program lacks Congressional support. At the state and local level, there is general if not consistent understanding that private forest owners produce benefits and they will produce more if society pays. However, Congress associates its experience with agricultural subsidies with forest subsidies and is reluctant to fund the programs unless they have extremely broad public support, which SIP does not. If political will develops, federal surpluses increase prospects for future implementation. A number of organizations, including the National Association of State Foresters, are working on a new cost share program that many hope will be part of the next Farm Bill. This would replace the Stewardship Incentive Program and the Forestry Incentives Program.

Related Recommendations: 10 (Educate forest users and the public about sound forest management), 11 (Assess forest practices and programs), 12 (Achieve principles of sustainability), and 21 (Conserve biological diversity).

Recommendation 4: Encourage green certification programs. State forestry and economic development agencies should encourage and cooperate with emerging private green certification programs that recognize landowners who practice sustainable forest management. They should also work with state forest roundtables, as appropriate. The most successful and effective programs will meet the following requirements.

- (a) Programs will be market-driven; that is, individual landowners and firms will seek certification based upon their assessment of the potential positive returns on their investment in certification, either through increased market share, increased product price, or other benefits.
- (b) Certification criteria will be based on consistent definitions, and on quantitative and objective standards that are easily understandable by and available to the consuming public. Private sector firms would be the best to carry out standardization and compliance; however, marketing claims should adhere to current and future Federal Trade Commission guidelines.
- (c) Certification will be financially feasible and practical for most sizes of land ownerships and firms. Smaller landowners need cost-effective ways to allow their participation in certification programs, such as certification of consulting foresters serving them, the Tree Farm program, and landowner cooperatives.

Assessment of Implementation: Implementation begun and substantial progress made, but not as the NFLC envisioned.

Green certification programs have flourished since the NFLC made this recommendation. Currently there are five certification programs:

- The American Forest Foundation’s Tree Farm Program,
- The American Forest & Paper Association’s (AF&PA) Sustainable Forestry Initiative,
- The Forest Stewardship Council’s (FSC) Certification and Labeling Program,
- The International Standards Organization’s (ISO) 14001 Environmental Management Systems, and
- The National Forestry Association’s (NFA) Green Tag Forestry Program.

The AF&PA and FSC programs have been most active in the Northern Forest, certifying millions of acres including state owned lands (Table 4). The state-by-state analysis highlights green certification successes.

However, green certification programs have developed differently than the NFLC envisioned and have not necessarily met all of the criteria the NFLC listed for a “successful and effective program.” For example, green certification has not increased market values and has been expensive to achieve. In addition, green certification has not been widely utilized by small landowners.

Table 4: Acres Certified in Each State (thousands of acres)

State	SFI Certification	FSC Certification
Maine	4,062	1,568
New Hampshire	230	27
New York	504	822
Vermont	0	8
TOTAL	4796	2425

Maine: Large landowners have embraced certification, while certification costs have prevented moderate and small landowners from participating in the program. Approximately, 42% of the state’s forest acres have been certified. Eighty percent of large landowners have secured SFI or FSC certification. More than five million acres will begin the FSC certification process next year. Six forest products companies have secured FSC “chain-of-custody” certification, which requires businesses to establish systems that create a paper trail demonstrating certified materials are kept separate from non-certified materials.

New Hampshire: Two large landowners have secured certification. Certification costs have prevented moderate and small landowners from participating in the program. Eight New Hampshire businesses have secured FSC chain-of-custody certification. More than 27,000 acres have been NFA certified.

New York: Several large landowners have embraced some form of certification. Certification costs have prevented moderate and small landowners from participating in the program. More than 700,000 acres of state owned forest land and 105,000 acres of Domtar industrial lands have been FSC certified, and four forest products companies have FSC “chain-of-custody” certification. International Paper Company’s more than one million acres (some of which are in New York) and 169,000 acres of Finch Pruyn & Co. lands have been certified by SFI. International Paper Company’s certification also includes ISO. More than 1,200 acres have been NFA certified.

Vermont: In a model of how to overcome certification costs, small landowners organized Vermont Family Forests. In 1998, FSC certified 6,586 acres owned by the program’s 31 landowners. Six businesses have secured FSC “chain-of-custody” certification.

Prospects for Future Implementation: Large landowners will continue to implement the NFLC’s certification recommendation, albeit differently than NFLC envisioned. Future implementation by small to moderate sized landowners is unlikely, unless certification costs can be reduced or landowners realize positive returns on certification investments. Tree Farm’s recent reciprocating agreement with SFI now allows Tree Farmers to meet the

Principles and Objectives of SFI. However, the program currently does not enable Tree Farms to be certified through independent audits. Major green certification programs are only a few years old and program sponsors are still refining their programs. Additional green certification ideas and methods may emerge in the coming decade and create a variety of technical and institutional improvements that may make certification less expensive, more effective, and utilized by all ownership classes.

Related Recommendations: 10 (Educate forest users and the public about sound forest management) and 37 (Promote natural resource education for the public).

Federal and State Tax Policies

Recommendation 5: Strengthen current use tax programs.

State legislatures should review existing current use tax programs and adopt the following range of changes.

- (a) In states where reimbursement does not exist, institute, if appropriate, a stable, reliable, and dedicated funding mechanism for reimbursement to localities. Where it does exist, provide consistent and adequate reimbursement.
- (b) Keep current use tax programs simple, easy to administer, stable over time, and attractive to potential enrollees. Complex programs are costly and difficult to administer, and they deter landowners from participating.
- (c) Base the current use assessment on the potential revenue from the land.
- (d) Encourage sound forest management of private forest lands in current use tax programs by having specific management requirements. However, such requirements should balance management costs with benefits to both landowners and society. Further, the provisions should not be so excessive as to discourage landowners from participating.
- (e) Set penalties for conversion of enrolled land at levels that discourage conversion yet do not discourage participation. States should review their existing penalties in this light.
- (f) Include additional incentives for landowners who voluntarily allow access for public recreation, or who develop and implement forest stewardship plans that go beyond statutory requirements and are not reimbursed by existing cost-sharing programs. However, such practices *must not* be required for participation in current use taxation programs. Incentives could be a percent reduction from the usual assessment, an actual tax abatement, or some other mechanism. New Hampshire's current use program provides an example of a first step.

Assessment of Implementation: Implementation begun and substantial progress made in New Hampshire. Implementation begun and partial progress made in Maine and Vermont. Not implemented in New York. However, it is important to note that Maine, New Hampshire, and Vermont had current use tax programs before *Finding Common Ground* was published.

Maine: Maine amended its current use Tree Growth Law in 1995, 1997, and 1999. However, these were minor changes that did not implement any NFLC recommendations. The biggest problem in Maine has been program instability. Since *Finding Common Ground* was published, Maine has had a reasonably stable program.

New Hampshire: The New Hampshire Current Use Tax was amended in 1995, 1996, and 1998.

New York: Funds to reimburse localities for tax revenue shifts as a result of Real Property Tax Law §480-a enrollments have been in the State executive budget, but have not been enacted by the legislature.

Vermont: Vermont amended its Current Use Program for Forest Land in 1995, 1997, and 1999. The 1997 amendments changed the public education funding structure and decreased some of the pressure on the program.

Prospects for Future Implementation: Legislative support is a barrier to implementation of this recommendation. However, a fall 2000 ballot initiative in Maine is increasing the issue's visibility. Increased public support for the recommended changes would increase the prospects for implementation.

Related Recommendations: 6 (Consider replacing the *ad valorem* taxation system), 10 (Educate forest users and the public about sound forest management), 11 (Assess forest practices and programs), 12 (Achieve principles of sustainability), 14 (Institute a national excise tax on recreation equipment), 26 (Promote public policy to provide forest-based recreation), and 29 (Review the effectiveness of administrative rules).

Recommendation 6: Consider replacing the *ad valorem* taxation system.

State legislatures should consider replacing the *ad valorem* system with one based on current use for all property. Under the proposed system, all real property would be assessed at its current value in its current use.

Assessment of Implementation: Not implemented.

While the issue is raised by advocates and bills have been introduced in most of the Northern Forest state's legislatures (at some time during the past six years), none of these bills (except a 1995 bill in Maine) received serious consideration.

Prospects for Future Implementation: *Ad valorem* taxation is a major source of local government funding, especially in areas under development pressure. State legislatures are unlikely to seriously consider the system's replacement without a major change in their constituent's opinion of the issue. Land taxes are likely to become a major political issue in the coming decade. Local and national concerns will increase with urban and suburban sprawl, with the need for suburban open space, and forest deforestation, fragmentation, and parcelization. One solution is tax rates based on low assessments to reflect low-intensity land uses. State and/or federal governments must cover local costs. Local property taxation supports key services, especially schools, and is one of the only places where the public votes directly on tax rates. Tax relief systems that shift the burden to other local taxpayers undercuts support for these programs. The NFLC's recommendation is unlikely to be implemented without public support for these programs, which requires the public be educated about how market-based assessments drive forest land toward development. Results from Cost of Community Services studies, that show forest land generates more in taxes than it requires in government services, may provide information for taxpayers to make these decisions.

Related Recommendations: 5 (Strengthen current use tax programs), 10 (Educate forest users and the public about sound forest management), 11 (Assess forest practices and programs), 12 (Achieve principles of sustainability), 14 (Institute a national excise tax on recreation equipment), 26 (Promote public policy to provide forest-based recreation), and 29 (Review the effectiveness of administrative rules).

Recommendation 7: Change estate tax policies.

Congress and the state legislatures should change estate tax policies to reduce the pressure on heirs to sell, convert, or otherwise change the character of family forest ownerships. This should be done by:

- (a) allowing heirs to make post-mortem donations of conservation easements on undeveloped estate land; and
- (b) allowing the valuation of undeveloped land at current use value for estate tax purposes if the owner(s) or heir(s) agrees to maintain the land in its current use for a generation (25 years). This change must include a recapture provision to make future owners liable for taxes if they do not abide by the commitment.

Assessment of Implementation: Implementation begun and partial progress made.

Potential implementation of this recommendation has included legislation that would eliminate all estate tax burdens, and legislation that addresses the NFLC's specific recommendations (i.e., sections (a) and (b) of the recommendation).

Federal Government: This year Congress failed to override a Presidential veto on legislation that would have eliminated the federal estate tax more than eleven years and broadly implemented this recommendation. In 1997, Congress enacted legislation that gradually increases the amount of the taxable estate not subject to federal taxation (Table 5). This legislation also amended section 2031 of the Internal Revenue Code to exclude certain amounts from the decedent's gross estates and implemented section (a) of this recommendation. While this amendment encouraged

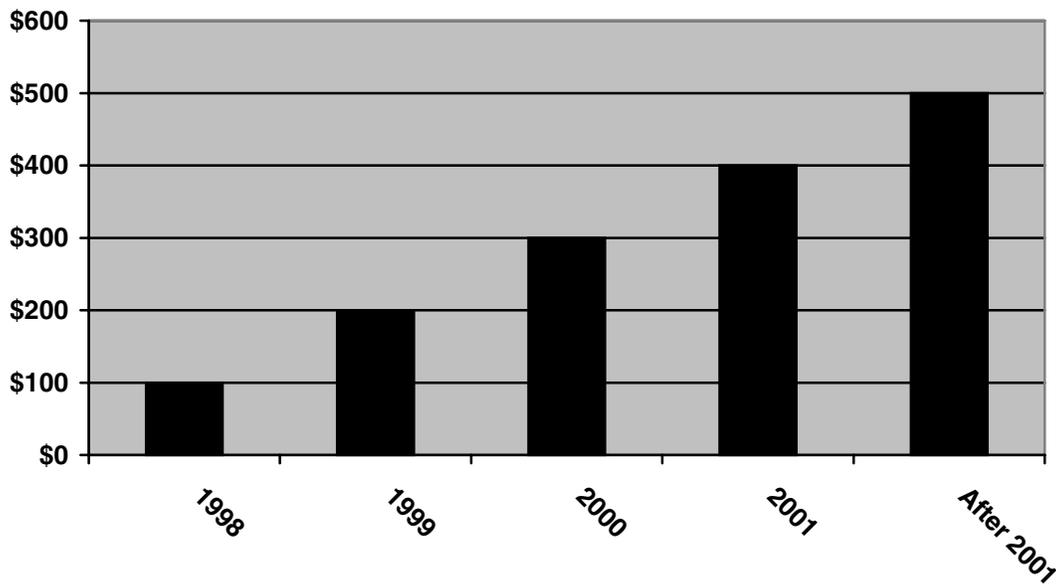
the donation of conservation easements by reducing a decedent’s gross estate by a maximum amount (Figure 2), and allowing post-mortem donations of easements, the amendment limited these benefits to estates located:

1. In or within 25 miles of a metropolitan area,
2. In or within 25 miles of a National Park or designated Wilderness Area, or
3. In or with 10 miles of an Urban National Forest.

Table 5: Taxable Estates Not Subject to Federal Taxation, based on 26 U.S.C. §2010(c) Credit

	1998	1999	2000 & 2001	2002 & 2003	2004	2005	After 2005
Taxable Estate	\$625,000	\$650,000	\$675,000	\$700,000	\$850,000	\$950,000	\$1 million

Figure 3: Maximum Exclusion from Decedant's Gross Estate for Conservation Easement Donation (thousands of dollars)



In 1998, Congress enacted legislation that reduced the estate tax burden for qualified “family-owned businesses.” This legislation will reduce the estate tax burden for some decedents owning Northern Forest lands.

Congress has not implemented section (b) of this recommendation.

Maine, New Hampshire and Vermont: These states have estate “sponge taxes” – estate taxes equal to the amount by which the maximum credit for state death taxes is determined under section 2011 of the Internal Revenue Code. When Congress increased the size of taxable estates subject to federal estate taxes, these states indirectly implemented the NFLC’s recommendation by reducing their estate tax burden. However, none of these states have implemented the NFLC’s specific recommendations, although New Hampshire almost passed legislation in 2000 to eliminate the state estate tax completely.

New York: In 1997, New York enacted legislation that gradually eliminated New York’s estate tax system, which was modeled after the federal estate tax system. The state replaced the existing system with an estate “sponge tax,” identical to the other NF states’ estate tax system. The legislation reduced the New York estate tax burden for decedents that died between October 1, 1998 and February 1, 2000, and imposed a “sponge tax” for decedents that die after February 2000. In 1998, New York enacted legislation that implemented section (a) of this

recommendation. The legislation mirrored section 2011 of the Internal Revenue Code, and allowed decedents who died between January 1, 1998 and February 1, 2000, and their estates, the same conservation easement estate tax advantages discussed in the federal government section of this recommendation. In 1998, the legislature also enacted legislation that reduced the estate tax burden for decedents who owe the IRS defined “family-owned businesses.” Both the conservation easement legislation and the “family-owned business” legislation expired on February 1, 2000 because New York’s new “sponge tax” system eliminated the need for these estate tax reduction mechanisms.

Prospects for Future Implementation: President’s Clinton’s veto, and Congress’s failure to override the veto, prevented the gradual elimination of the federal estate tax, and consequentially the Northern Forest states’ estate taxes. This legislation’s broad political support demonstrates the issue’s public and legislative support. Federal surpluses increase prospects for future implementation.

Related Recommendations: 2 (Fund state easement programs), 5 (Strengthen current use tax programs), and 6 (Consider replacing the *ad valorem* taxation system).

Recommendation 8: Allow inflation adjustment on the original cost of timber.

Congress and state legislatures should change income tax policies to allow adjustments for inflation on the basis (original cost) of timber owned by forest landowners. This would tax landowners on the real gain (not inflationary gain) from selling timber, thereby recognizing the long-term nature of forest land investments. This recommendation refers to timber revenue only, not timber land revenue.

Assessment of Implementation: Not Implemented.

Neither Congress nor the states have implemented this recommendation. Legislation has been introduced in Congress to implement this recommendation, and has received some support. However, it has not been enacted. This recommendation has not been implemented by the states.

Prospects for Future Implementation: For this recommendation to be implemented, public and legislative visibility and support for Congress is needed. For example, the Forest Landowners Tax Council does not list this issue as one of their top tax policy issues. Our experts suggested that unless Congress enacts such legislation, states are unlikely to do so. If political support increases, federal budget surpluses increase the prospects for future implementation.

Related Recommendations: 9 (Eliminate the 100 hours per year rule)

Recommendation 9: Eliminate the 100 hours per year rule.

Congress should eliminate the requirement that landowners generally must work 100 hours per year in forest management on their forest properties to be allowed to deduct normal management expenses from timber activities against non-passive income, instead of being required to capitalize these losses until timber is harvested. The IRS code should also allow various family configurations to qualify for this loss allowance since many lands in the region are family-owned.

Assessment of Implementation: Not Implemented.

While legislation has been introduced to implement this recommendation, Congress has not enacted it.

Prospects for Future Implementation: The lack of legislative and broad constituent support prevents Congress from enacting legislation that implements this recommendation. If political support develops, federal budget surpluses increase the prospects for future implementation.

Related Recommendations: 3 (Fund the Stewardship Incentive Program) and 8 (Allow inflation adjustment on the original cost of timber).

Sustainable Forest Management

Recommendation 10: Educate forest users and the public about sound forest management.

States should strengthen and expand current programs to inform loggers, foresters, landowners, and the general public about sound forest management practices, and the Principles of Sustainability. These programs should include continuing education for foresters and loggers. Examples include:

- (a) State-based logger membership associations should initiate or expand certified professional logger programs to better inform loggers about sound forest management practices, biological resources' conservation, and existing laws; and to increase the number of certified loggers.
- (b) State forester licensing bodies (where they exist) and professional forestry groups should require education about forest management techniques that are compatible with maintenance of biological diversity and ecosystem management.
- (c) States and private groups should initiate landowner training in sound forest management techniques and awareness of licensing and certification programs.
- (d) State and private groups should initiate public education programs about sound forest management to increase awareness of the benefits of forestry and the implications of management on the resource.
- (e) Agencies should provide advice and technical assistance to landowners and land managers regarding compliance with regulations to insure that forest operations are designed to protect the resource.

Assessment of Implementation: Implementation begun, substantial progress made.

Since the NFLC issued this recommendation, courses and programs have integrated sustainable forestry principles into their curriculum. Forestry professionals, landowners, and the public now receive information and instruction on the principle without attending courses and programs designed to specifically address sustainable forestry.

This recommendation has been implemented through national programs. The Society of American Foresters' (SAF) Certified Forester program requires 60 hours of continuing education credits (CE) every three years. The Association of Consulting Foresters of America requires its members to complete 20 hours of CE credits every two years. The CE requirements of both these programs do not mandate courses that satisfy the section (b) recommendation, but provide members with the option of using such courses to fulfill CE requirements.

Maine: Approximately 3,800 loggers have completed Maine's stringent Certified Logging Professional (CLP) program. The two-year CLP certification requires reinspection every year and implements the section (a) recommendation. Maine's State Board of Licensure for Professional Foresters requires twelve CE credits every two years and implements the section (b) recommendation. The Society of American Foresters provides much of the training opportunities to fulfill these obligations for foresters. Various landowner, industry and professional organizations, the University of Maine's Forestry Cooperative Extension Office, and the Maine Forest Service implement sections (c), (d), and (e) of the recommendation.

New Hampshire: More than 650 loggers have completed the New Hampshire Timber Harvesting Council's Professional Loggers Program. Initial certification requires courses that implement the section (a) recommendation. Certifications must be renewed after four years and recertification requires loggers to complete 32 CE credits. The Section (b) recommendation is implemented by the New Hampshire Board of Licensure for Foresters, which requires 20 continuing education units during a 24 month period. Various landowner, industry and professional organizations, the Society for the Protection of New Hampshire Forests (SPNHF), the University of New Hampshire's Forestry and Wildlife Resources Cooperative Extension Office, and the New Hampshire Department of Resources and Economic Development's Division of Forest Lands implement section (c), (d), and (e) recommendation. The Society of American Foresters provides much of the training opportunities for foresters. Specifically, the Forest Sustainability Standards Work Team (FSSWT), a project sponsored by the SPNHF, the New Hampshire Timberland Owners Association and the state's Division of Forest Lands and Department of Fish and Game, published a sustainable management publication, *Good Forestry in the Granite State* in 1997. Significant training of professional resource managers and landowners followed its publication. Part of the FSSWT team is currently working on a follow-up project.

New York: More than 500 loggers have completed New York Logger Training's Trained Logger Certification (TLC) program. Initial TLC certification is for three years, and recertification requires loggers to secure three CE credits

(one credit equals a four to eight hour class). Both initial certification and recertification implement the section (a) recommendation. New York does not require foresters to be licensed or certified. New York has no mechanism that ensures the implementation of section (b) of the recommendation, but a strong SAF state chapter exists and ongoing training is a central part of its mission. However, after the issuance of the NFLC's recommendations, SUNY ESF's Faculty of Forestry reinvigorated its forester continuing education program and has offered numerous programs that educate foresters on section (b) topics. New York's cooperating forester program also requires continuing education for participants. Various landowner, industry and professional organizations, Cornell University's Cooperative Extension Office, SUNY ESF and the Department of Conservation's Division of Lands and Forests implement section (c), (d), and (e) recommendations.

Vermont: Vermont has two logger certification programs that implement section (a) of the recommendation. Approximately 300 loggers have completed the University of Vermont Cooperative Extension Office's Logger Education to Advance Professionalism (LEAP) program. Loggers must complete 59 credit hours to fulfill the LEAP program requirements, including some courses that implement section (a) of the recommendation. Loggers complete LEAP once. It is not a certification and does not require continuing education credits. Approximately 375 loggers have completed the Vermont Forestry Foundation's Professional Logger Program (PLP). This four-year certification requires loggers to complete courses that implement section (a) of the recommendation. Recertification requires 32 CE credits, including courses that fulfill section (a). Vermont does not require foresters to be licensed or certified, so Vermont has no mechanism that ensures the implementation of section (b) of the recommendation, but a strong SAF state chapter exists and ongoing training is a central part of its mission. Various landowner, industry and professional organizations, the University of Vermont Cooperative Extension Office, and the Vermont Agency of Natural Resources' Department of Forests, Parks and Recreation implement section (c), (d), and (e) recommendations.

Prospects for Future Implementation: The major challenge in sustainable forest management is the application of current knowledge over more and more forest land. As science understands more about our forests, sustainable forestry principles will become even more integrated into forestry professionals', landowners', and the public's knowledge. Increased scientific knowledge and public awareness of sustainable forestry principles increases the prospect for future implementation.

Related Recommendations: 3 (Fund the Stewardship Incentive Program), 5 (Strengthen current use tax programs), 11 (Assess forest practices and programs), 12 (Achieve principles of sustainability), 20 (Assess water quality trends), 21 (Conserve and enhance biodiversity), 27 (Improve workplace safety), 33 (Support cooperative efforts among four state universities), and 37 (Promote natural resource education for the public).

Recommendation 11: Assess forest practices and programs.

States should conduct, by June 1996, and periodically thereafter, scientifically-based assessments of the impact of existing forest practices, programs, and regulations, to evaluate their adequacy in achieving the Principles of Sustainability listed in Recommendation 10. If changes are necessary to address inadequacies in protection and programs, the states need to act to improve forest practice statutes, and properly fund and support forest management programs, regulations, and enforcement.

Assessment of Implementation: Implementation begun and substantial progress made in Maine and Vermont. Implementation begun and partial progress made in New Hampshire and New York.

Maine: In 1997, the legislature established the Forest Resource Assessment Program to implement this recommendation. The program requires the Director of the Bureau of Forestry to establish a process to assess forest sustainability, produce an annual report on clearcutting, and a biennial report on the state of Maine's forests.

New Hampshire: When New Hampshire recodified its forest laws in 1995, it evaluated their existing forest laws. However, New Hampshire has not conducted a comprehensive review of how its forest practices, programs, and regulations achieve sustainability. A pilot research project is being conducted by the Division of Forests and Lands that includes an analysis of sustainable practices being conducted through on-the-ground data gathering of recent harvest sites.

New York: New York has not implemented this recommendation. However, the Forest Stewardship Council has certified more than 700,000 acres of state lands (outside the Adirondack and Catskill Forest Preserves), so methods that New York uses to manage its own lands have been certified as sustainable. New York DEC is pursuing collaboration with the New York SFI State Implementation Committee to address, in part, assessment of forest practices on private forest lands.

Vermont: In 1995, Vermont established the Forest Resource Advisory Council to implement this recommendation. Two years later, the legislature enacted the “Heavy Cutting Act,” which requires an assessment of the impact the “Heavy Cutting Act” to principles of sustainability.

Prospects for Future Implementation: The forestry community’s focus on sustainable forests requires the assessment recommended by the NFLC. However, public and legislative financial support for these assessments needs to increase for New Hampshire and New York to implement this recommendation.

Related Recommendations: 3 (Fund the Stewardship Incentive Program), 5 (Strengthen current use tax programs), 10 (Educate forest users and the public about sound forest management), 12 (Achieve principles of sustainability), 20 (Assess water quality trends), 21 (Conserve and enhance biodiversity), 33 (Support cooperative efforts among four state universities), and 37 (Promote natural resource education for the public).

Recommendation 12: Achieve Principles of Sustainability.

State forest roundtables, or something of a similar nature, should implement action to achieve the Principles of Sustainability. They should create a process to define credible benchmarks of sustainability for a variety of forest types to achieve the Principles of Sustainability. These benchmarks, in the form of practical, on-the-ground techniques, should be defined by June 1996. Forest managers, both public and private, should then compare their own management to such benchmarks and be willing to commit to producing a sustainable flow of wood and other amenities from their lands. Public agencies and private organizations should also collaborate with the roundtables to publicize the benchmarks, explain their application, distribute them to forest landowners, and work to educate the public that timber harvesting is a responsible forest use as long as the forests’ long-term ability to continue producing timber and other benefits are maintained.

Assessment of Implementation: Implementation begun and substantial progress made, but not as the NFLC envisioned. Implementation begun and substantial progress made nationally through green certification standards. Implementation begun and substantial progress made in Maine and Vermont. Implementation begun and partial progress made in New Hampshire and New York.

Instead of forest roundtables implementing action on sustainability, green certification organizations and state agencies (in response to legislative mandates) have implemented this recommendation. Our analysis of Recommendation 4 details green certification. This analysis focuses on other organizations.

Maine: In 1996, the Maine Council on Sustainable Forest Management issued its report addressing sustainability standards. A year later, the legislature established the Forest Resource Assessment Program to implement this recommendation. The program requires the Director of the Bureau of Forestry to develop standards to assess the implementation of sustainability principles in seven areas.

New Hampshire: The Forest Sustainability Standards Work Team (FSSWT), a project sponsored by the SPNHF, the New Hampshire Timberland Owners Association and the state’s Division of Forest Lands and Department of Fish and Game, published a sustainable management publication, *Good Forestry in the Granite State* and *On the Ground Forest Practices Guide Book* in 1997. Part of the FSSWT team is currently working on a follow-up project that will assess the current condition and capability of New Hampshire forests and then attempt to set structure and composition goals for each ecological unit.

New York: New York has relied on green certification organizations’ standards to assess sustainability.

Vermont: The Vermont Forest Resource Advisory Council implements this recommendation. The legislature charged the council with developing sustainability benchmarks in nine areas.

Prospects for Future Implementation: Sustainable standards are in their infancy. Currently state agencies and numerous green certification organizations are developing standards. As these standards are publicized, compared, and criticized, they will continually be refined and this recommendation will likely continue to be implemented.

Related Recommendations: 3 (Fund the Stewardship Incentive Program), 4 (Encourage green certification programs), 5 (Strengthen current use tax programs), 10 (Educate forest users and the public about sound forest management), 11 (Assess forest practices and programs), 12 (Achieve principles of sustainability), 20 (Assess water quality trends), 21 (Conserve and enhance biodiversity), 33 (Support cooperative efforts among four state universities), and 37 (Promote natural resource education for the public).

Protecting Exceptional Resources

Public Land Management and Acquisition

Recommendation 13: Fund public land management agencies.

Congress and the states should provide sufficient funds to public land management agencies to manage and maintain existing public land holdings and recreation facilities for increased public use; to protect fragile areas; and to enhance public health and safety at existing facilities. Congress and the states should also provide sufficient funding to meet the costs of administering conservation easements held by public agencies.

Assessment of Implementation: Implementation begun and substantial progress made in Maine, New Hampshire, New York and Vermont. Not implemented by Congress.

The USDA Forest Service budget has not increased, and the White Mountain and Green Mountain National Forests budgets are less today than they were in 1995. The budgets of Maine's, New Hampshire's, New York's and Vermont's public land management agencies have increased since the NFLC made this recommendation.

Prospects for Future Implementation: Future budget surpluses and continued economic prosperity increase the probability of continued future implementation. However, in New Hampshire, where education funding is in crisis due to a State Supreme Court decisions, prospects are poor. The New Hampshire Division of Forests and Lands lost 3% of its budget during 1999-2000.

Related Recommendations: 14 (Institute a national excise tax on recreation equipment), 15 (Refine state land acquisition planning programs), 16 (Fund the Land and Water Conservation program), 17 (Fund state land acquisition programs), and 18 (Employ a variety of conservation tools).

Recommendation 14: Institute a national excise tax on recreation equipment.

Congress should institute a national excise tax on outdoor specialty recreation equipment (e.g., climbing gear, hiking boots) to support wildlife and recreation management on public lands, and to support recreation opportunities on private lands through assistance and compensation to the landowners. The International Association of Fish and Wildlife Agencies' *Wildlife Diversity Initiative* is an example of a potential framework for this program, although, unlike the Council recommendation, it does not address public use of private lands for recreation. The tax collection and distribution system should be modeled after the Pitman-Robertson, Dingell-Johnson, and Wallop-Breaux programs of the US Fish and Wildlife Service. Revenues should be distributed to all 50 states according to a specific formula developed in close collaboration with the states.

Assessment of Implementation: Not Implemented.

Numerous attempts to enact a national excise tax on recreation equipment to support the objectives listed in the recommendation have failed.

Prospects for Future Implementation: The proposed Conservation and Reinvestment Act, which would fund the objectives in the recommendation through funds from outer continental shelf oil exploration, has broad public and legislative support. The support for these objectives, as well as national surpluses, increases the probability that NFLC's objectives will be implemented. The implementation of a national excise tax, as the NFLC envisioned, would subsidize a defined program. Congress often fails to support such programs because it usurps Congress's control over program appropriations and management.

Related Recommendations: 13 (Fund public land management agencies) and 26 (Promote public policy to provide forest-based recreation).

Recommendation 15: Refine state land acquisition planning programs.

By June 1996, states, in consultation with local governments, should refine their existing state land acquisition programs to follow a goal-orientated, public planning process that:

- (a) identifies and sets priorities for acquisition of fee or less-than-fee interests in exceptional and important
 - (1) lands. The criteria for such lands include:
 - (2) places offering outstanding recreational opportunities including locations for hunting, fishing, trapping, hiking, camping, and other forms of back-country recreation;
 - (3) recreational access to river and lake shorelines;
 - (4) land supporting vital ecological functions and values;
 - (5) habitats for rare, threatened, or endangered natural communities, plants, or wildlife;
 - (6) areas of outstanding scenic value and significant geological features; and
 - (7) working private forest lands that are of such significance or so threatened by conversion that conservation easements should be purchased.
- (b) acquires land or interest in land only from willing sellers.
- (c) involves local governments and landowners in the planning process in a meaningful way that acknowledges their concerns about public land acquisition.
- (d) recognizes that zoning, while an important land use mechanism, is not an appropriate substitute for acquisition.
- (e) ensures that unilateral eminent domain will only be used with the consent of the landowner to clear title and/or establish purchase price (i.e., "friendly" condemnation).
- (f) efficiently uses public dollars by purchasing only the rights necessary to best protect identified, exceptional values.
- (g) weighs the potential impacts and benefits of land and easement acquisition on local and regional economies.
- (h) considers the necessity for including costs of future public land management in the assessment of overall costs of acquisition.
- (i) minimizes adverse tax consequences to municipalities by making funds available to continue to pay property taxes based at least on current use valuation of parcels acquired, payments in lieu of taxes, user fee revenues, or other benefits where appropriate.
- (j) identifies the potential for exchanging currently owned public land for privately held land of greater public value.
- (k) provides that lands purchased are used and managed for their intended purposes.

Assessment of Implementation: Implementation begun and substantial progress made. Note: States implemented this recommendation later than the NFLC recommended.

States have implemented programs that refine their land acquisition programs. These refinements directly or indirectly addressed most, if not all, of the section (a) to (k) recommendations.

Maine: In 1997, Maine's Land Acquisition Priorities Advisory Committee examined the state's land acquisition program and recommended changes. These amendments, including changes that implemented the NFLC

recommendation, were incorporated into the Land for Maine’s Future (LMF) Fund guidelines, which is administrated and coordinated by Maine’s State Planning Office.

New Hampshire: In 1998, the legislature created the New Hampshire Land and Community Heritage Commission (LCHC). The LCHC’s report, issued in 1999, served as the basis for the New Hampshire Land and Community Heritage Investment Program (LCHIP), which the legislature enacted in 2000. LCHIP’s land acquisition program incorporates and implements the NFLC recommendation.

New York: The state’s Open Space Plan, completed in 1992 and updated every three years, requires Regional Advisory Committees to review the plan every two years. This process incorporates and implements the NFLC recommendation. The 1998 plan builds upon its predecessors and guides the use of New York’s Clean Water / Clean Bond Act and Environmental Protection Fund spending.

Vermont: In 1999, the Vermont Agency of Natural Resources completed a “Lands Conservation Plan” (LCP) to guide the agency’s land acquisition and other land conservation measures. The plan incorporated and implemented the NFLC recommendations. The LCP directs the use of the Vermont Housing and Conservation Trust Fund.

Prospects for Future Implementation: Although states have implemented this recommendation, the inherent cyclical nature of planning will require states to reevaluate their land acquisition plans. Even with legislative directives, such as in New York, states need to allocate resources for the continued implementation of this recommendation.

Related Recommendations: 2 (Fund state easement programs), 16 (Fund the Land and Water Conservation program), 17 (Fund state land acquisition programs), 18 (Employ a variety of conservation tools), 19 (Exclude from income tax a portion of the gain from conservation sales), and 21 (Conserve and enhance biodiversity).

Recommendation 16: Fund the Land and Water Conservation program.

Congress should fund the overall Land and Water Conservation Program (LWCF) at the currently authorized level, with at least 60% of the funds going to the states. Along with adequate funding, Congress should revise the law to provide greater flexibility to the states allowing increased efficiency in expenditure of LWCF monies. The states should use broad based planning processes to allocate LWCF monies within their boundaries.

Assessment of Implementation: Not Implemented.

Congress has not funded the Land and Water Conservation Fund at its authorized level (\$900 million) (Table 7). Nor has Congress allocated at least 60% of the fund to the states. Except for a 1996 amendment that relieved some state reporting requirements, Congress has not provided for increased state efficiency of fund resources.

Table 7: Land and Water Conservation Fund Appropriations (millions of dollars)

	FY 1994	FY 1995	FY 1996	FY 1997	FY 1998	FY 1999	FY 2000
State Grants	\$0.0	\$0.0	\$0.0	\$0.0	\$1.0	\$0.5	\$41.0
Federal Agency Grants	\$161.1	\$233.1	\$138.2	\$149.4	\$271.4	\$328.6	\$420.1
TOTAL	\$161.1	\$233.1	\$138.2	\$149.4	\$272.4	\$329.1	\$461.1

Prospects for Future Implementation: Congress may partially, or completely, implement this recommendation this year. The proposed Conservation and Reinvestment Act (CARA) includes funding for this program. CARA has broad public and legislative support. Support for these objectives, as well as national surpluses, increases the probability that this recommendation will be implemented.

Related Recommendation: 2 (Fund state easement programs), 13 (Fund public land management agencies), 14 (Institute a national excise tax on recreation equipment), 15 (Refine state land acquisition planning programs), 17 (Fund state land acquisition programs), 18 (Employ a variety of conservation tools), and 19 (Exclude form income tax a portion of the gain from conservation sales).

Recommendation 17: Fund state land acquisition programs.

States should continue their history of providing funding for land acquisition through land purchase bonds, dedicated funds, private contributions, and legislative appropriations to purchase fee or less-than-fee interest in lands in conformance with the land acquisition process described in Recommendation 18.

Assessment of Implementation: Implementation begun and substantial progress made.

Maine: The Land for Maine’s Future (LMF) Fund is the state’s primary land conservation funding mechanism. The Fund was revitalized in 1999 when voters approved a \$50 million bond to finance a land conservation program. “Affinity credit card’s” proceeds also fund the LMF Fund. The Maine Outdoor Heritage Fund is supported by the state lottery.

New Hampshire: The New Hampshire Land and Community Heritage Investment Program (LCHIP) Act, enacted in 2000, is funded through a legislative appropriation. The program requires municipalities and publicly-supported nonprofit organizations to provide at least 50% of land acquisition resources. State agencies are not eligible to use funds and there is only one year of funding available.

New York: The state’s land acquisition program is funded by the Environmental Protection Fund, as mentioned earlier, and the 1996 \$1.75 billion Clean Water/Clean Air Bond Act. The Act allocated \$150 million for open space conservation projects, including land and conservation easement acquisition. The bulk of the funding comes from a real estate transfer tax.

Vermont: The Vermont Housing and Conservation Trust Fund is supported by legislative appropriation, including special appropriations for specific projects.

Prospects for Future Implementation: Budget surpluses in all states, but New Hampshire, and creative funding mechanisms should ensure continued implementation of this recommendation, although continuing development pressures may require states to develop supplemental funding mechanisms. However, funding mechanisms tend to be directed at land acquisition, rather than land management. States need to ensure that state land management agencies are funded at levels to manage fee and less-than-fee interest lands, otherwise, public support for land acquisition funding may lessen.

Related Recommendations: 2 (Fund state easement programs), 13 (Fund public land management agencies), 14 (Institute a national excise tax on recreation equipment), 15 (Refine state land acquisition planning programs), 16 (Fund the Land and Water Conservation program), 18 (Employ a variety of conservation tools), and 19 (Exclude form income tax a portion of the gain from conservation sales).

Recommendation 18: Employ a variety of conservation tools.

States should employ a variety of tools in addition to fee acquisition to conserve working landscapes and public values, including:

- (a) exchanges of land and less-than-fee interests, such as perpetual conservation easements.
- (b) short and long term cooperative agreements with landowners for the protection of plant and animal species, scenic overlooks, and trailheads.
- (c) public purchase of specific public recreation rights (independent of other property interests) such as fishing and boating access, snowmobile, cross country skiing and hiking trails.
- (d) partnerships with private land trusts to acquire land in situations where emergency actions and bridge loans are needed, or where complex approaches, such as partial development or land exchanges, are appropriate.

Assessment of Implementation: Implementation begun, substantial progress made.

All Northern Forest states have employed the techniques specified by the NFLC in this recommendation to conserve working landscapes and public values. Conservation easements are used more often than the other techniques because funding mechanisms directly support conservation easements. Groups such as the Nature Conservancy and the Trust for Public Land have been particularly effective in assisting states in accordance with section (d) of the recommendation.

Prospects for Future Implementation: State emphasis on conservation easements, because of this mechanism's flexibility and funding preference should continue. Public support for creative open space protection techniques, including those specified by the NFLC, should also increase in the future.

Related Recommendations: 2 (Fund state easement programs), 13 (Fund public land management agencies), 14 (Institute a national excise tax on recreation equipment), 15 (Refine state land acquisition planning programs), 16 (Fund the Land and Water Conservation program), 17 (Fund state land acquisition programs), and 19 (Exclude from income tax a portion of the gain from conservation sales).

Conservation Transactions

Recommendation 19: Exclude from income tax a portion of the gain from conservation sales.

Congress and the state legislatures should change their income tax codes to exclude from income tax a portion of the gain received from sale of "qualified forest lands" and conservation easements (see below) to public conservation agencies (or third party organizations if lands are reconveyed to a public agency within two years).

- (a) For sale of a conservation easement, the exclusion from income tax should be 100% of the gain.
- (b) For sale of fee title, the exclusion from income tax should be 35% of the gain, up to a maximum of \$100,000 in taxes payable.
- (c) For sale of fee title to third party entities (such as nonprofit land trusts), the exclusion should be allowed only if lands are reconveyed to a public agency within two years.

Assessment of Implementation: Not Implemented.

Congress and the state legislatures have not changed their tax codes to implement this recommendation. Most experts agreed that this is a national issue not a state issue (i.e., if Congress enacts this recommendation, the states will adopt the federal rules).

Prospects for Future Implementation: Legislative support is a barrier to implementation of this recommendation. Our experts suggested that the specialized nature and lack of public interest in the recommendation, make this proposal "unlikely to pass on its own." Thus, the best prospect for the future implementation of this recommendation will be for it to be included in a larger tax revision aimed at promoting conservation sales.

Related Recommendations: 1 (Fund Forest Legacy), 2 (Fund state easement programs), 15 (Refine state land acquisition planning programs), 16 (Fund the Land and Water Conservation program), 17 (Fund state land acquisition programs), and 18 (Employ a variety of conservation tools).

Water Quality

Recommendation 20: Assess water quality trends.

By June 1996, states should assess water quality trends within the Northern Forest from data, report on suspected or confirmed causes of identified deterioration, and propose revisions to state water pollution laws to stem that deterioration. Recommendations should include identifying, where needed, additional sources of funding for

enforcement and administration of water pollution control programs and for assistance to local governments, property owners, and lake and watershed associations to improve water quality.

Assessment of Implementation: Implementation begun and substantial progress made, but not as the NFLC envisioned. Note: This recommendation was also implemented later than the NFLC recommended.

Section 305(b) of The Clean Water Act requires states to assess their water quality, and they have been doing so for more than 20 years. In 1998, litigation forced the US Environmental Protection Agency (EPA) to expand data collection and require the states to submit a list of all waterbodies that did not meet water quality standards. These lists, which all Northern Forest states submitted to the EPA and were accepted by the agency, identify sources of noncompliance. While the data collection, analysis and reporting required by the EPA implement this recommendation, commentators (including the US General Accounting Office) have been critical of the assessment's methodology and data. The focus on this effort has been for developing areas, not rural areas where forestry activities occur.

Regional efforts to assess water quality trends have been fostered by federal funds made available to the Northern Forest states after the 1998 Ice Storm. A portion of the funds were allocated to assess the storm's impact on water quality.

In addition to national and regional efforts, states have implemented this recommendation. In 1995, Maine assessed how compliance with forestry best management practices affected water quality. Vermont's Forest Resource Advisory Council analyzed how forest resources conserve and protect watershed values. In New Hampshire, a limited assessment has been conducted in urbanizing areas but not for forestry.

Prospects for Future Implementation: Recent attention to water quality is not likely to wane. The importance of water quality to cities, suburbs and rural communities will increase as septic and water system failures cause public health crises. The Clean Water Act's initial focus on technology-based mechanisms to improve water quality did not adequately address water quality problems. Whether solutions are voluntary or compulsory, states will need to continue to implement this recommendation and assess their water quality.

Related Recommendations: 33 (Support cooperative efforts among the four state universities) and 34 (Track and analyze land trends).

Biological Diversity

Recommendation 21: Conserve and enhance biodiversity.

By June 1996, states should develop a process to conserve and enhance biodiversity across the landscape.

- (a) First, assess the status of biodiversity in each state and determine the current level of protection on public lands and on private conservation lands by voluntary landowner agreement. Then, if needed, state conservation agencies and private landowners should consult and agree upon ground rules for assessing biodiversity on private lands. Written permission is essential for entry onto private lands during new biodiversity surveys.
- (b) Provide landowners with information about how to conserve biodiversity on their land through both forest management practices and establishment of ecological reserves. State conservation agencies should collect and distribute this information.
- (c) Provide financial incentives to landowners for measures taken to conserve and enhance biodiversity, including strengthened Stewardship Incentive Program practices and reduced property tax valuations and/or exemptions.
- (d) Using scientific assessment and analysis, create ecological reserves as one component of state public land acquisition and management programs. Given current scientific knowledge, and economic, social, and political constraints, the Council envisions that such a system will be limited and should be reassessed for scope as the science develops. The following criteria should be followed:
 - (1) Areas selected should meet the definition of an ecological reserve;
 - (2) Selection must be according to the state's open space planning and acquisition plans; and

- (3) Before new ecological reserves are established, the extent of ecological values already protected on public lands and private conservation lands must be assessed.

Assessment of Implementation: Implementation begun partial progress made in Maine, New Hampshire, New York and Vermont.

Maine: Maine's Natural Areas Program inventories land that support: rare and endangered plants and animals, rare natural communities, and outstanding examples of representative natural communities. The Maine Forest Biodiversity Project (MFBP) completed a statewide assessment of forest biodiversity in 1998 and published *An Ecological Reserves System Inventory: Potential Ecological Reserves on Maine's Existing Public and Private Conservation Lands*. That same year, the Maine State Planning Office published *Biological Diversity in Maine: An Assessment of Status and Trends in the Terrestrial and Freshwater Landscape*. The MFBP report was used by the legislature to enact a statute that enables the director of the Bureau of Parks and Lands to designate ecological reserves on lands under the bureau's jurisdiction. The Land for Maine's Future program resources can acquire in fee, and less-than-fee, lands with high biodiversity values. Maine's "Forever Wild Open Space" law can be used by private land owners to reduce their property taxes. The Maine Education Department has a teacher recertification program which covers the topic of biodiversity and the state is producing an educational video on the diversity of habitat and wildlife.

New Hampshire: New Hampshire Natural Heritage Program collects and analyzes data on the status, location, and distribution of rare or sensitive plants and animals and exemplary communities. The state published *New Hampshire's Living Legacy: The Biodiversity of the Granite State* (1996) and *Protecting New Hampshire's Living Legacy: A Blueprint for Biodiversity Conservation in the Granite State* (1998) which include recommendations for action. The state's Ecological Reserve Steering Committee has completed approximately 75% of a framework for instituting an ecological reserve system, which manages for specific ecological goals. The Committee's work has been conducted in accordance with the NFLC's recommendation, such as inclusive public participation. The Committee was founded by New Hampshire's Division of Forests and Lands and Fish and Game Department, and is now a cooperative venture between those organizations, the Society for the Protection of New Hampshire's Forests, the Nature Conservancy, and the Audubon Society. The Land and Community Heritage Investment Program has incorporated biodiversity into its scoring approach to projects involving land resources.

New York: The New York Natural Heritage Program is a systematic, scientific inventory designed to compile and maintain computer-assisted data on rare plants and animals and significant ecological communities. The New York State Biological Survey develops and maintains an inventory of state biological resources. The Biodiversity Research Institute coordinates state and private efforts to identify, understand and explain the state's plants, animals and environments. The state's Biodiversity Stewardship and Research Fund identifies lands of ecological significance for the governor and legislature, and develops and implements stewardship activities to conserve rare species and ecological communities. Constitutional restrictions on the use of the Adirondack and Catskill Forest Preserves conserve biodiversity. In addition, the Preserve's Unit Management Plan Initiative assesses biodiversity. The Department of Environmental Conservation's Saratoga Tree Nursery has been restructured to address biodiversity issues by reducing production of non-native species. The state can use the Environmental Protection Fund or Clean Water/Clean Air Bond Act funds to acquire in fee, or less than fee, lands with high biodiversity values.

Vermont: The Vermont Nongame and Natural Heritage Program's mission is to inventory, protect and enhance nongame wildlife, native plants, and significant natural communities and to help people better appreciate these resources. The Vermont Biodiversity Project was established to design and map a system of priority conservation areas and to complete a statewide inventory of natural communities. The Vermont Agency of Natural Resources' 1999 Land Conservation Plan recommends the state use a limited ecological reserve program (the natural reserve system) to protect areas that contain viable, high-quality examples of native species and natural communities. The Agency is implementing the system. The state Land Acquisition Review Committee which reviews and issues recommendations on all fee, and less-than-fee acquisitions funded by the Vermont Housing and Conservation Trust Fund was directed by the legislature to conserve a full range of native flora and fauna and protect unique or fragile areas.

Prospects for Future Implementation: Implementation of this recommendation in Maine, New Hampshire, New York, and Vermont will require that state and other organizations continue to educate the public about the importance of biological diversity. Inventories of biological resources are a critical funding need. Without education, public support for resources to support these programs will not grow. The lack of public support for the USDA Forest Service's Stewardship Incentive Program, which was designed to fund the NFLC's vision for the recommendation on private lands provides a case-in-point. As scientific knowledge of biodiversity increases, biodiversity conservation mechanisms will likely reflect this understanding through refined legal strategies that address biodiversity goals through less intrusive mechanisms.

Related Recommendations: 2 (Fund state easement programs), 3 (Fund the Stewardship Incentive Program), 10 (Educate forest users and the public about sound forest management), 11 (Assess forest practices and programs), 12 (Achieve principles of sustainability), 13 (Fund public land management agencies), 15 (Refine state land acquisition planning programs), 16 (Fund the Land and Water Conservation program), and 33 (support cooperative efforts among the four state universities).

Strengthening Economies of Rural Communities

Community Development

Recommendation 22: Increase funding for Rural Community Assistance programs.

Congress should increase funding for the USDA Forest Service's Rural Community Assistance programs in the Northeast. These programs encourage local communities to strengthen and diversify their natural resource-based economies.

Assessment of Implementation: Implementation begun and substantial progress made.

USDA Forest Service has recently increased Rural Community Assistance funding to the Northern Forest states. However, the program's funding levels have been highly variable since the NFLC recommendations were issued.

Prospects for Future Implementation: Federal budget surpluses and Congressional support increase the likelihood that this recommendation will continue to be implemented.

Related Recommendations: 23 (Encourage marketing cooperatives and networks), 24 (Direct assistance to natural resource-based businesses), and 33 (Support cooperative efforts among the four state universities).

Recommendation 23: Encourage marketing cooperatives and networks.

State and federal forestry and economic development agencies should encourage and support primary and secondary wood products firms by fostering establishment of marketing cooperatives or networks. Such actions would:

- (a) nurture formal and informal dialogue on new business ideas,
- (b) connect buyers and suppliers of wood products to promote joint purchasing and manufacturing, and
- (c) develop flexible manufacturing networks to enable many small producers to work together, filling larger orders than they could individually.

Assessment of Implementation: Implementation begun and partial progress made in New York and Vermont, and by the federal government. Implementation begun and partial progress made, but not as the NFLC envisioned in Maine. Not implemented in New Hampshire.

When we discussed this recommendation with our experts, they suggested that cooperatives and networks tend to grow during tight economic conditions and that the past six years' economic conditions were less than ideal for fostering these organizations (i.e., in good economic conditions, businesses do not need to cooperate to survive and

prosper; in bad economies, they do). This may be one reason why this recommendation has been partially implemented.

The USDA has sponsored some programs to implement this recommendation. The National Network of Forest Practitioners, through a USDA grant, sponsors the National Community Forestry Center (NCFC) project. Yellow Wood Associates of Vermont administers the NCFC's Northern Forest Regional Center in the Northeast which is designed primarily to serve Northern Forest land's communities. The program indirectly fosters this recommendation's networking objectives by: developing partnerships with existing organizations that share its community forestry goals, conducting targeted research to address region-wide issues and opportunities responding to requests for information and technical assistance on community forestry, and establishing mechanisms to facilitate information sharing and networking.

Maine: The state has not implemented this recommendation. Maine's nonprofit sector has encouraged marketing cooperatives and networks, but these programs have had limited success implementing this recommendation's concept. Experts informed us that improved economic conditions caused many cooperatives begun in the 1970s to disband. The Maine Wood Products Association has continued to work on these issues.

New Hampshire: The state has not implemented this recommendation.

New York: The state has used funds from the USDA Forest Service's Economic Action Program to develop a directory of primary and secondary wood products industries. The directory fosters a network among these organizations. Some private organizations have recently begun to develop Web-based cooperative and networking programs. Our experts suggested that the state's Empire State Development agency, which traditionally has focused on large industries who employ their own marketing personnel, could attract several small wood products industries if it facilitated cooperatives and networks. New York has also used USDA Forest Service Rural Development Through Forestry grants to support forest-based recreation and tourism projects in the Adirondack and Tug Hill region.

Vermont: The state's Agency of Natural Resources, Department of Forest, Parks, and Recreation's Forests Products Marketing, Utilization and Development revised its Vermont Wood Product Manufacturers and Crafters in 2000 and previously published a Directory of Sawmill and Veneer Mills in Vermont. The directory includes information that fosters cooperative efforts. The Vermont Wood Manufacturers Association is developing strategies that would implement this recommendation. The Vermont Family Forests is a landowner cooperative that has secured green certification for their lands.

Prospects for Future Implementation: If our experts' observations are true that poor economic conditions facilitate cooperatives and networks, it is not possible to evaluate the prospects for the future implementation of this recommendation. However, the World Wide Web enables businesses to communicate in new ways. In other industries, the Web has enabled business-to-business and business-to-consumer communications that have fostered marketing cooperatives and networks, and improves the prospects for this recommendation's future implementation. The cooperatives, modeled on organizations such as Vermont Family Forests, may lessen the financial burden of green certification for small and moderate sized landowners (see Recommendation 4).

Related Recommendations: 4 (Encourage green certification programs), 22 (Increase funding for Rural Community Assistance programs), 24 (Direct assistance to natural resource-based businesses), and 25 (Authorize and fund Community Development Financial Institutions or a similar program).

Recommendation 24: Direct assistance to natural resource-based businesses.

State economic development agencies should work with state natural resource agencies to direct financial, technical, and marketing assistance to natural resource-based business concerns. Such assistance should recognize the importance of forest products manufacturing, recreation, tourism, and other economic activities, and enhance states' competitive advantages in the natural resource sector. These agencies should cooperate with natural resource management agencies and employ rural development specialists to accomplish the following functions related to natural resource-based businesses:

- (a) assistance in complying with state regulatory processes;
- (b) identification of barriers to general rural business expansion and of ways to overcome them;
- (c) marketing assistance;
- (d) promotion of incentive programs for development and expansion;
- (e) provision of information to financial institutions on the value of such businesses; and
- (f) fostering public policy to promote value-added opportunities in the region.

Assessment of Implementation: Implementation begun and partial progress made.

Regionally: Congress provided the USDA Forest Service with business recovery funding after the 1998 Ice Storm. The Forest Service allocated this money among the Northern Forest states.

Maine: The state Department of Economic and Community development offers loans and technical assistance to resource businesses, but it does not appear that these services have improved substantially since the NFLC made its recommendations. The state's rural development through forestry program has typically received only small grants. The state has programs that assist business compliance with state regulations and promote Maine products.

New Hampshire: New Hampshire is uniquely qualified to implement this recommendation since its resources and economic development agencies are in the same department. One resource-based person spends one day a week in the Economic Development office to help this office understand natural resources. The 1997 Governor's Forest Industry Task Force recommended that the best thing that could be done is to make sure people in the Economic Development Division had good working relationships with people from the forest industry. The Task Force's report was not implemented. The state uses USDA Forest Service Economic Action Program funds to assist natural resource-based businesses. The state has currently undertaken a feasibility study for a low grade wood using manufacturing facility.

New York: The state provides economic assistance to saw mills, including training funds and capital. The legislature funds the Adirondack North Country Association, a regional economic development association designed to create and retain jobs, increase goods and services, and market agricultural products, natural resources, crafts, and other items made in the region. The Department of Environmental Conservation's (DEC) Forest Products Utilization and Marketing Program continues to assist forest-based businesses. Four or five staff personnel work on natural resource-based business issues: two are stationed in Albany, the remainder are in the field. Two staff personnel work on Northern Forest issues. These people receive some financial support from the USDA Forest Service Economic Action Program. The DEC conducted two strand board plant assessments, which provided information about operation and natural resource availability. The state's Empire State Development (ESD) agency assisted the DEC's demonstration of the quality of the state's resources and its capacity to support the strand board industry. However, ESD, with its focus on large industrial operations, has not concentrated on the forest products industry, because the industry in New York consists mainly of small firms. Our experts suggested that if ESD assessed the cumulative impact of several small wood products industries, and employed a rural development specialist, it could further implement this recommendation.

Vermont: The state's Department of Forest, Parks, and Recreation's Forests Products Marketing, Utilization and Development continues to provide planning and technical assistance to the forest products industry and prospective developers, assist wood producers in product marketing (including exports), and work with the Agency of Commerce and Community Affairs on wood product development activities. The state annually recognizes businesses that use sustainable practices.

Prospects for Future Implementation: Although states have partially implemented this recommendation, our experts suggested that, except for tourism, states do not recognize the value or potential of natural resource-based business and have failed to provide the funds necessary to implement this recommendation. Legislators appear to reap greater rewards from supporting technology-based businesses than from supporting non-tourism, natural resource-based business. Without increased public support, the prospects for implementing this recommendation are limited.

Related Recommendations: 22 (Increase funding for Rural Community Assistance programs), 23 (Encourage marketing cooperatives and networks), and 25 (Authorize and fund Community Development Financial Institution or a similar program).

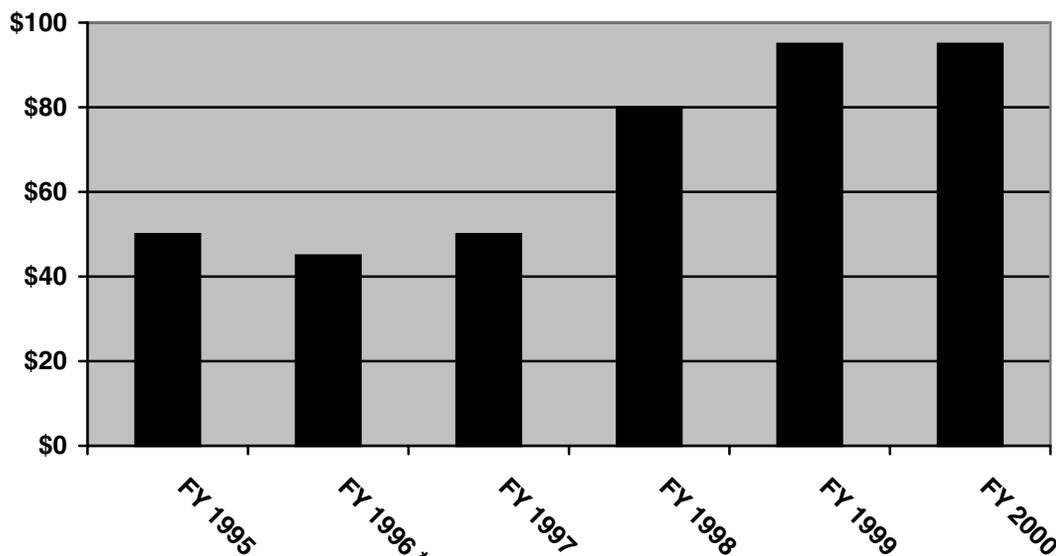
Recommendation 25: Authorize and fund Community Development Financial Institutions or a similar program.

Congress should authorize and fund Community Development Financial Institutions, or a similar program, to steer capital to the Northern Forest region for forest-related businesses including wood products manufacturers, and recreation and tourism enterprises. Community Development Financial Institutions would allow financing decisions that affect natural resource-related businesses to be made by individuals closely connected to the communities and industries involved.

Assessment of Implementation: Implementation begun and substantial progress made.

In 1994, Congress authorized Community Development Financial Institutions (CDFI) and has funded the organization since that time (Figure 3). Four organizations have been certified as CDFIs in Maine, one in New Hampshire, 49 in New York (although most of these are in the downstate area), and three in Vermont. Community Development grants have directed capital to the Northern Forest’s forest-related businesses, and recreation and tourism enterprises.

■ **Figure 3: Community Development Financial Institution appropriations (millions of dollars)**



Prospects for Future Implementation: Congress has nearly doubled CDFI appropriations in the first six years of the program. The CDFI has directed funding to Northern Forest businesses as the NFLC recommended. Eligible institutions and businesses should continue to seek these funds. If public officials and agencies publicize Northern Forest success stories, funding should continue to implement this recommendation.

Related Recommendations: 22 (Increase funding for Rural Community Assistance programs), 23 (Encourage marketing cooperatives and networks), and 24 (Direct assistance to natural resource-based businesses).

Recreation and Tourism on Private Lands

Recommendation 26: Promote public policy to provide forest-based recreation.

Congress and state legislatures should enact legislation and promote public policy to provide forest-based recreation opportunities to the public. Such initiatives would encourage landowners to keep their land open and available for responsible public recreation. Initiatives should, at a minimum, include the following:

- (a) strengthened liability statutes to protect landowners who allow responsible public recreational use of their lands.
- (b) updated liability statutes to establish hold-harmless mechanisms for landowners who open their land to public use, whereby each state underwrites a landowner's defense against personal injury suits and assumes costs for property damage and littering.
- (c) additional reductions in property taxes for landowners who allow responsible public recreational use of their lands.
- (d) state purchases of land in fee, and of temporary and permanent recreation easements and leases, including rights of access.
- (e) state and private cooperative recreation agreements.
- (f) creation of a recreation coordinator/landowner liaison and remote ranger positions in state government to assist in the management of public use of private lands providing recreation opportunities and other similar services.
- (g) strengthened enforcement of trespass, littering, and dumping laws.
- (h) improved recreation user education programs.
- (i) improved capacity in state park and recreation agencies to measure recreational use, including types, amounts, locations, and concentrations of use, and to identify and address trends in use before they create problems.

Assessment of Implementation: Implementation begun and partial progress made.

Congress: Congress has not enacted legislation to implement this recommendation. Federal agencies have partially implemented this recommendation by improving their recreational visitor education programs. Most of the specific recommendations need to be implemented by the states, rather than Congress.

Maine: The Maine legislature amended its already strong landowner liability law in 1995 to protect additional organizations from liability for land used by the public for recreation, further implementing sections (a) and (b) of this recommendation. Maine Property Tax law implements section (c) by enabling landowners who allow the public access to their lands to reduce their property taxes. The state has acquired fee and less-than-fee interests (including recreation agreements) in lands for recreation in accordance with sections (d) and (e). It is unclear whether sections (f) and (g) have been implemented. Maine has continued to improve its recreation education programs (section (h)). It is unclear whether the state has implemented section (i) by measuring recreational use, but the state's web site is designed to inform visitors about numerous visitation sites, potentially diffusing recreational use.

New Hampshire: New Hampshire has implemented section (a) and partially implemented section (b) of the recommendation (for motorized recreation). New Hampshire law continues to provide a 20% reduction in property taxes for landowners who allow the public to access their lands (section (c)). The state has acquired fee and less-than-fee interests (including recreation agreements) in lands for recreation in accordance with sections (d) and (e). It is unclear whether sections (f) and (g) have been implemented. New Hampshire has continued to improve its recreation education programs (section (h)), especially its snowmobiler education program. It is unclear whether the state has implemented section (i) by measuring recreational use.

New York: New York has not amended its already strong landowner liability law since sections (a) and (b) were recommended. New York has not implemented section (c). The state has acquired fee and less-than-fee interests (including recreation agreements) in lands for recreation in accordance with sections (d) and (e). It is unclear whether section (f) has been implemented. New York has implemented section (g) by continuing to fund remote ranger positions and supporting the Adirondack Mountain Club's High Peaks Summer Stewards program. The state continues to implement section (h) by improving its recreation education programs. New York has implemented the NFLC's section (i) recommendation by measuring recreational use, especially in the Adirondack Park. The state has used this information in the Adirondack Park Unit Management Plans.

Vermont: The Vermont legislature completely revised its landowner liability act to provide more protection for landowners who allow public access to their lands and implementing sections (a) and (b) of this recommendation. Vermont has not implemented section (c). The state's Forest Resource Advisory Council assessed potential recreation uses in Vermont's forests and developed benchmarks to encourage opportunities for compatible recreation. This information has been used by the state when it acquired fee and less-than-fee interests (including recreation agreements) in lands for recreation in accordance with sections (d) and (e). It is unclear whether sections (f) and (g) have been implemented. Vermont continues to implement section (h) by improving its recreation education programs (section (h)). It is unclear whether the state has implemented section (i) by measuring recreational use.

Prospects for Future Implementation: Public and legislator's (federal and state) interest in and support of recreation continues to grow. The broad support for the Conservation and Redevelopment Act, which would support some of this recommendation, illustrates why future implementation is likely. However, many of our experts stated that the public's increased outdoor recreation demands will require additional resources for states to continue to implement this recommendation.

Related Recommendations: 5 (Strengthen current use taxation programs), 14 (Institute a national excise tax on recreation equipment), 17 (Fund state land acquisition programs), and (Employ a variety of conservation tools).

Government Regulation and Public Policy

Recommendation 27: Improve workplace safety.

State forestry agencies, with funding from the USDA Forest Service and other appropriate sources such as the US Department of Labor, should cooperate with appropriate forest products associations and recreation business groups to establish or expand training programs to improve workplace safety and reduce workers' compensation claims. These agencies also should encourage development of equipment and methods of harvesting that are safer, profitable, and environmentally compatible. A model program for loggers is Maine's Certified Logging Professional program, administered by the Maine Timber Research and Environmental Education (TREE) Foundation.

Assessment of Implementation: Implementation begun and substantial progress made in the states, and implementation begun and partial progress made by the federal government.

This recommendation has mainly been implemented through logger certification programs. These programs have reduced workers' compensation insurance claims and costs.

National efforts to improve workplace safety include the US Department of Labor, Occupational Health Safety and Administration's (OSHA) 1995 amendments to its logging operations regulations. However, many of our experts criticized these regulations as too restrictive. Soren Eriksson's "Game of Logging" program is a national program that combines demonstration with participation to teach logger safety, productivity, conservation and cutting techniques.

Regional efforts include the Northern Vermont Recourse Conservation and Development Council's Yankee Forest Safety Network (YFSN). YFSN is a logger association composed of businesses from five northeast states including New Hampshire and Vermont. The YFSN program, which has been funded by OSHA and state agency grants, combines mandatory safety training with a contract insurer. More than 200 loggers from 20 businesses have completed the program, which has reduced member organizations' workers' compensation rates by 30%.

Maine: Maine's certified Logging Professional program requires courses in workplace safety and first aid. More than 3,800 loggers have completed the program.

New Hampshire: More than 650 loggers have completed the New Hampshire Timber Harvesting Council's Professional Loggers Program which requires workplace safety and first aid training. The New Hampshire

Timberland Owners Association, the University of New Hampshire's Cooperative Extension, and Thompson School of Applied Science co-sponsor the program.

New York: New York Logger Training's Trained Logger Certification requires courses in workplace safety and first aid. More than 500 loggers have completed the training. The state and the USDA Forest Service's Economic Action Program have provided funds to improve safety in sawmills. Sawmill workers' compensation costs have decreased.

Vermont: More than 300 loggers have completed the University of Vermont Cooperative Extension Office's Logger Education to Advance Program which requires workplace safety and first aid training. Approximately 375 loggers have been certified under the Vermont Forestry Foundation's Professional Logger Program, a four-day certification that includes safety and first aid training. PLP's recertification program requires 16 credits of first aid training. The Vermont Agency of Natural Resources' Department of Forests, Parks and Recreation has committees that examine workplace safety.

Prospects for Future Implementation: Fewer workers' compensation insurance claims and lower costs should continue the implementation of this recommendation. However, Maine's logger certification program is the only program tied to workers compensation rates. Therefore, continuation of the other programs requires both the public and private sectors continue to provide sufficient implementation resources.

Related Recommendations: 10 (Sound Forest Management Education), 24 (Direct assistance to natural resource-based businesses), 28 (Workers' Compensation Insurance Reform), and 33 (Support cooperative efforts among the four state universities).

Recommendation 28: Reform workers' compensation insurance programs.

State legislatures should reform their workers' compensation insurance programs to reduce costs. Examples of needed reforms include the following: discounting employers' annual workers' compensation insurance premiums if they provide employee safety training; revising liability statutes to limit third party suits; controlling health care costs; better guarding against fraudulent claims; and enacting mechanisms that more quickly resolve disputed claims.

Assessment of Implementation: Implementation begun and substantial progress made in Maine and New York. Implementation begun and partial progress made in New Hampshire and Vermont.

Maine: In 1992, prior to the NFLC recommendations, Maine enacted legislation which included the reforms recommended by the NFLC. Costs have been reduced by more than 35%.

New Hampshire: New Hampshire has enacted legislation that implements some of the NFLC's recommendations. Workers' compensation costs have been reduced. New Hampshire's workers' compensation payments to injured workers are higher than other Northern Forest states.

New York: In 1996, New York enacted its Employment, Safety and Security Act. This implemented all of NFLC's recommended reforms. Costs have been reduced by more than 36%.

Vermont: Vermont has enacted legislation that implements some of the recommended reforms, such as controlling health care costs and enacting mechanisms that quickly resolve disputed claims.

Prospects for Future Implementation: Workers' compensation continues to be an important issue for the business community, especially as Northern Forest states attempt to retain and attract new businesses. Continued reform, even in the states that have implemented the NFLC recommendation, is likely.

Related Recommendations: 24 (Direct assistance to natural resource-based businesses), 27 (Improve workplace safety), and 33 (Support cooperative efforts among the four state universities).

Recommendation 29: Review the effectiveness of administrative rules.

Beginning June 1995, state agencies should review the effectiveness of administrative rules regarding business, land use, and the environment, using a process that repeats every five years and involves all interested parties. Such reviews would enable agencies to evaluate the effectiveness, consistency, practicality, efficiency, and cost of existing regulations.

Assessment of Implementation: Implementation begun and partial progress made, but not as the NFLC envisioned.

No state has engaged in an evaluation of the effectiveness of its administrative rules in 1995. No state has established a program to review its rules every five years. However, states have evaluated the effectiveness of some rules and established mechanisms to do so. Experts suggested that all state agencies informally conduct effectiveness analyses when they react to public, legislative, and executive input and pressure. The enactment of new programs, by both the legislature and agencies, often causes the effectiveness of existing rules to be evaluated.

Maine: “Sunset reviews” require that state agencies and their programs justify their existence (and their effectiveness) every five or ten years. Amendments to Maine’s Forest Practice Act in 1998 reviewed the effectiveness of that particular program.

New Hampshire: When New Hampshire recodified its forest laws in 1995, it evaluated the effectiveness of its existing forest laws. Forester licensing rules were also reviewed and substantially revised in 1998.

New York: Governor Pataki established the Office of Regulatory Reform which reviews administrative order’s effectiveness in accordance with the NFLC recommendation.

Vermont: 1999 amendments to the Agency of Natural Resources, Department of Forest, Parks and Recreation’s Strategic Plan reviewed the effectiveness of that Department’s rules.

Prospects for Future Implementation: While regulatory reform, which encompasses the NFLC’s vision, remains an important issue, the lack of resources and legislative initiative continues to prevent the systematic implementation of this recommendation.

Related Recommendations: 5 (Strengthen current use tax programs), 11 (Assess forest practices and programs), 28 (Reform workers’ compensation programs), and 30 (Simplify and stabilize the regulatory process).

Recommendation 30: Simplify and stabilize the regulatory process.

Beginning June 1995, state agencies should develop and implement innovative approaches to simplify and stabilize the regulatory process. Such approaches would improve the business climate in general and provide new opportunities for smaller businesses to get started in the region. These should include:

- (a) creation of a single permit to cover all requirements for a single project.
- (b) voluntary no-fault environmental audits, in which agencies review environmental compliance in a constructive and non-punitive manner. Responsible parties are not penalized for inadvertent violations discovered by the audit if the violations are corrected within a specified period of time.
- (c) negotiated regulations, in which government agencies cooperate with industry, environmental organizations, and other interests to develop and implement regulations in a manner that achieves the desired outcome without being unnecessarily burdensome.

Assessment of Implementation: Implementation begun and partial progress made.

Northern Forest states have stabilized portions of their regulatory processes. Efforts to simplify the regulatory process, including innovative approaches have been concentrated on the federal level. Experts suggested that efforts to stabilize the regulatory process are often dependent upon political stability within the state executive and legislative branches. Most of the efforts to simplify the regulatory process, especially sections (a) to (c) of the recommendations have occurred at the federal, rather than the state level.

Maine: Maine has established a voluntary no-fault audit program. This program implements section (b) of the recommendation.

New Hampshire: New Hampshire's recodification of its forestry laws directly simplified these laws, and indirectly stabilized them. Work has also been ongoing to streamline review of wetlands permitting.

New York: New York's Office of Regulatory Reform reviews proposed and existing regulations for need, consistency and simplicity.

Vermont: Vermont has attempted to consolidate the permit process to implement the section (a) recommendation.

Prospects for Future Implementation: Complete implementation by states is limited by the complexity of the issues, and the lack of resources and legislative directives. Improvements in technology may help manage the complexity, but the legislatures' failure to provide resources and incentives prevent implementation of this recommendation. Federal success and experience with sections (a) to (c) of the recommendation will provide models and information for states to implement these programs.

Related Recommendations: 5 (Strengthen current use tax programs), 11 (Assess forest practices and programs), 28 (Reform workers' compensation programs), and 29 (Review the effectiveness of administrative rules).

Recommendation 31: Review land use planning programs.

Agencies and organizations involved with land use planning should review their existing programs and plans. They should assess them for adequacy in guiding development to appropriate areas, and in supporting traditional uses of the forest. Landowners, businesses, residents, and other interests should be included in the review. Agencies and organizations involved in land use planning across the region should regularly share successes and failures of their various programs. Such cooperation would facilitate the flow of information to planners, both within and among states, and it would stimulate more effective planning at all levels. Because rural areas often lack the resources to conduct such planning activities, states should provide money and technical assistance to further these efforts. Municipalities or regional agencies with comprehensive or master plans in place should receive priority for funding for economic development.

Assessment of Implementation: Implementation begun and substantial progress made in Maine and Vermont. Implementation begun and partial progress made in New Hampshire and New York.

Maine: In December 1998 and 1999, the State Planning Office revised its February 1997 Strategic Plan. The plan addresses the Office's responsibility to provide technical assistance to local and regional planning groups. The Maine Department of Conservation's Land Use Regulation Commission (LURC) has revised its programs and plans since this recommendation was issued, and is currently proposing substantive and procedural changes for planning, permitting and/or compliance. The LURC provides on-line access to documents that define mission, authority, and standing of the Commission and set rules and standards for planning, permitting and compliance.

New Hampshire: The state has not conducted a comprehensive review of its existing programs and plans. However, the Office of State Planning's Municipal and Regional Planning Assistance Department provides significant information and assistance to local and regional governments. NH Resources Net, "an information resource for planners, town officials, resource managers and the public," provides some information to the state's local planning and zoning boards. These resources include model ordinances cited for their currency, innovation, or relevance to sparsely (or densely) populated communities, and the PlanLink list serve, which is an on-line discussion and information sharing forum for the NH planning, zoning and land use regulation community. The Office of State Planning also publishes a newsletter that provides information on planning activities. Other related work has occurred through the University of New Hampshire's efforts to aid communities in their efforts to identify development/protection priorities.

New York: The state has not implemented this recommendation for private lands. The New York State Department of Environmental Conservation is currently developing Unit Management Plans for the Adirondack Park. These

plans address state lands in the Park and have implemented some of the NFLC's suggestions in this recommendation.

Vermont: The Vermont Environmental Board has reviewed and amended its existing programs and plans. For example, the Board has proposed revisions to its regulations and amended its Master Permit Policy this year. The Board's "E-note" index provides on-line and hard copy access to key legal findings from past Board decisions. The Board also has an on-line notification service that allows the Board to notify subscribers when a new Board decision is issued.

Prospects for Future Implementation: Agencies involved in land use planning usually recognize the need to review their programs and plans. Reviews require resources and state legislatures have often failed to allocate resources for this task because of resource scarcity or political and/or public dislike for land use planning or its effect. The World Wide Web increases the ability of land use planning agencies to disseminate information and facilitate information sharing by local and regional land use regulation organizations.

Related Recommendations: 10 (Educate forest users and the public about sound forest management) and 11 (Assess forest practices and programs).

Recommendation 32: Establish consistent truck-weight regulations.

State transportation agencies should coordinate with one another to establish consistent truck weight regulations across the region. Regulatory consistency will do much to improve the flow of goods across state lines and enhance the region's ability to compete in national and world markets. To achieve this, a compatible system of road classifications needs to be developed, and roads which cross state boundaries should have consistent classifications from one state to another.

Assessment of Implementation: Not implemented.

While states that adhere to the Federal Bridge Formula ensure that Interstate Systems in these states have uniform weight limits, state highways are not necessarily governed by these rules. State transportation agencies have generally failed to establish consistent truck weight regulations and establish a compatible system of road classifications.

Maine: Maine is the only state that does not follow the standard 80,000 lbs. limit imposed by the Federal Bridge Formula for interstate highways. Maine has not made a comprehensive effort to examine other state's regulations for inconsistencies or to implement a compatible road classification system. Maine has examined neighbor state's truck weight regulations when amending its own regulations. However, these efforts have generally failed to implement the NFLC's recommendation because other states have subsequently amended their regulations, creating new inconsistencies.

New Hampshire: New Hampshire has not addressed inconsistencies in its truck weight regulations or road classification system.

New York: New York has not made a comprehensive effort to correct inconsistencies in its truck weight regulations or road classification system. However, New York and Vermont have agreed to consistent overweight permitting.

Vermont: Vermont conducted a study on truck regulations which identified inconsistencies in its truck weight regulations and road classification system, and is attempting to standardize its truck length regulations with other states. New York and Vermont have agreed to consistent overweight permitting.

Prospects for Future Implementation: It is doubtful that this recommendation will be implemented in the near future.

Related Recommendations: 29 (Review the effectiveness of administrative rules).

Promoting More Informed Decisions

Research and Technology Transfer

Recommendation 33: Support cooperative efforts among four state universities.

The state universities and USDA Forest Service's State and Private Forestry Bureau should support formal cooperative efforts among the forestry schools of the state universities in the four Northern Forest states. These cooperative efforts should include:

- (a) working with state forest roundtables.
- (b) working with the Northeastern Forest Experiment Station to increase research and transfer technology to the wood products industry on efficient and most up-to-date wood processing, and ways to reduce waste, pollution, and energy consumption in the industry. Information should be practical and usable for small firms.
- (c) serving as a clearinghouse on ecosystem management and on public and private programs affecting ecosystems. Specifically, this formal cooperation should:
 - (1) collect existing research and information;
 - (2) broaden this information base through additional research.
 - (3) disseminate existing and new information to landowners, public and private resource managers, state forest roundtables, and the general public.

Assessment of Implementation: Not Implemented

State universities collaborate with the USDA Forest Service on a variety of projects, but not those recommended by the NFLC. State universities have not collaborated with each other. Experts cited institutional barriers, and lack of cooperative mechanisms and resources for the failure to implement this recommendation. Vermont Senator Leahy's legislative attempts to establish a Northern Forest Research Cooperative have failed because of regional politics.

Prospects for Future Implementation: Until educational institutions' barriers and resource deficiencies are addressed, this recommendation will not be implemented. This issue currently lacks public and legislative attention and support. However, federal budget surpluses increase the possibility for addressing resource deficiencies in the future.

Related Recommendations: 10 (Educate forest users and the public about sound forest management), 11 (Assess forest practices and programs), 12 (Achieve principles of sustainability), 15 (Refine state land acquisition planning programs), 21 (Conserve and enhance biodiversity), 23 (Encourage marketing cooperatives and networks), and 37 (Promote natural resource education for the public).

Recommendation 34: Track and analyze land trends.

Appropriate state agencies should develop information management systems to track and analyze real estate conversion trends. Timely collection and analysis of such information, consistent between states, would enable states to make more informed decisions for land conservation efforts. This would include the magnitude, number, and location of subdivisions, consolidations, and land sales.

Assessment of Implementation: Implementation begun and substantial progress made, but not as the NFLC envisioned in New Hampshire. Not implemented in Maine, New York, or Vermont.

Maine: No comprehensive survey has been undertaken. The Maine State Revenue Service tracks land sales, but the data is not analyzed for conversion trends. The Maine Forest Service collects timber harvesting data, but the information is fragmented and not combined with other data to understand land conversion trends. The state has no formal mechanism to use this information to inform decision making.

New Hampshire: State agencies collect and analyze this data periodically. The Society for the Protection of New Hampshire Forests published a report *New Hampshire's Changing Landscape* which analyzed past and present, and predicted future, land conversion trends. The state has no formal mechanism to use this information to inform decision making because it does not have a statewide land use regulatory board. Land use decisions are determined locally. The Office of State Planning tracks real estate and growth trends. Some of the Office's data on land conversion is analyzed by the Division of Forests and Lands.

New York: The New York State Land Acquisition Law requires New York's Department of Environmental Protection and Office of Parks, Recreation and Historic Preservation to conduct comprehensive inventories of land having conversation significance. However, the survey, which is incorporated into the states' biennial Open Space Conservation, does not conduct a comprehensive analysis on land conversion trends. The state's Board of Equalization collects data that includes land conversion information, but does not analyze the data for land conversion trends. The state has no formal mechanism to use this information to inform decision making.

Vermont: The Vermont Agency of Natural Resources relied on land conversion information provided by a University of Vermont professor. Since the professor retired, the Agency does not have detailed data tracking land conversion trends. The Department of Taxation collects some data from real estate records, but does not analyze this information in a manner that implements the recommendation. The state has no formal mechanism to use this information to inform decision making.

Prospects for Future Implementation: The new annualized USDA/state Forest Inventory and Analysis Program will provide some additional information on land use trends that begins to address some of the concerns that prompted this recommendation. The improvement of Geographic Information Systems (GIS) since the NFLC's report improves states' ability to track land conversion trends. However, state legislatures have failed to provide agencies with the resources needed to collect data from multiple sources and implement this recommendation. Until resources are available, it is unlikely that this recommendation will be implemented. This recommendation was implemented differently than the NFLC envisioned. GIS tools may enable a private company or consortium to conduct this analysis and sell the results to states, local governments and universities.

Related Recommendations: 11 (Assess forest practices and programs), 12 (Achieve principles of sustainability), 33 (Support cooperative efforts among the four state universities), 35 (Conduct and publish decennial surveys in a timely fashion), and 36 (Use the Northern Forest Resource Inventory).

Recommendation 35: Conduct and publish decennial surveys in a timely fashion.

Congress should provide the funds necessary for the USDA Forest Service to conduct and publish decennial surveys in a timely fashion.

Assessment of Implementation: Implementation begun and substantial progress made, but not as the NFLC envisioned.

The 1998 Farm Bill requires the USDA Forest Service prepare an annual forest resource inventory for each state. The Forest Service is supposed to measure annually 20% of all sample plots in a state. Lack of resources is forcing the USDA Forest Service to implement this mandate in a seven year, rather than five year, cycle. The Maine inventory was begun in 1999. The New Hampshire, New York and Vermont inventories will begin in 2002.

Prospects for Future Implementation: Congress's annual inventory mandate will enable states and other stakeholders to have more timely information as long as Congress continues to appropriate resources to conduct the inventories. The federal budget surpluses make implementation of this program more likely.

Related Recommendations: 11 (Assess forest practices and programs), 12 (Achieve principles of sustainability), 33 (Support cooperative efforts among the four state universities), 34 (Track and analyze land trends), and 36 (Use the Northern Forest Resource Inventory).

Recommendation 36: Use the Northern Forest Resource Inventory.

In their land conservation and planning efforts, states should use the natural and economic resource data provided through the Northern Forest Resource Inventory.

Assessment of Implementation: Implementation begun and partial progress made.

The Northern Forest Resource Inventory (NFRI) data continues to be available. States use the NFRI on a case-by-case basis. When the data fits their needs, states use it. The data has been combined with more recent data to develop information on trends and changes. A number of experts stated the NFRI was the NFLC's most valuable work product.

Maine: NFRI data was collected and automated. The data continues to be used by various state agencies and other organizations.

New Hampshire: NFRI data has been used to develop trends.

New York: NFRI data is available, and was used by the state for analysis of the 1998 Ice Storm. Nonprofit organizations have also requested and used this data.

Vermont: All GIS layers and data have been distributed to regional planning commissions, which regularly use the information. Data was used to decrease processing time for the acquisition of the Northeast Kingdom's Champion Lands.

Prospects for Future Implementation: NFRI data will continue to be valuable as baseline data. However, with each year it becomes historic, rather than current, data. Reinvigorated and new land acquisition programs in Maine and New Hampshire may use the data. Additional resources will be required so that NFRI data can be integrated into continually changing GIS programs.

Related Recommendations: 11 (Assess forest practices and programs), 12 (Achieve principles of sustainability), 33 (Support cooperative efforts among the four state universities), 34 (Track and analyze land trends), and 35 (Conduct and publish decennial surveys in a timely fashion).

Natural Resource Education for the Public

Recommendation 37: Promote natural resource education for the public.

States should promote natural resource education for the general public, from youth to adult. These education programs should focus on the region's forest resources, natural processes, and resource management.

- (a) State education departments should require that all students complete one year of natural resource education to graduate. Options to meet this requirement should include:
 - (1) one year of junior high school science focusing on natural resources and land-based economies such as agriculture and forestry;
 - (2) the equivalent of one year of natural resource and land-based education between the grades of 7 and 12; and
 - (3) integration of natural resource and land-based education into present science programs of grades kindergarten through 12.
- (b) Teachers should have curriculum material and training opportunities through such programs as Project Learning Tree and Project Wild.
- (c) State conservation agencies, state education departments, and private organizations should provide continuing education opportunities for adults to enhance their understanding of natural resources through new and existing public and private programs. Innovative mechanisms such as interactive television, personal computer networks and on-line services should be used to expand delivery of these educational opportunities.

Assessment of Implementation: Implementation begun and partial progress made.

No NF state has implemented section (a) of the recommendation, although Project Learning Tree, Project Wild, etc. do provide information about how their resources fit some state-mandated curriculum. All states have implemented section (b). Each state has numerous natural resource programs that implement section (c) of the recommendation. While a comprehensive listing and analysis of each one of these programs is beyond the scope of this report, a review of these programs indicates that they implement section (c) of the recommendation. Each state's conservation agencies have natural resource education web sites.

Maine: Various Maine state conservation agencies support and fund Project WILD, Project WILD Aquatic, Project Learning Tree, and Project Wet, and help teachers utilize these materials in their classes. The Maine Bureau of Forestry employs a natural resource educator to develop and coordinate natural resource education for school-age children, forest landowners, forest products harvesters and forest managers. Specific duties include working with the Maine Department of Education to integrate forestry and forest science programs into the science curricula in public schools. State conservation agencies, the University of Maine's Cooperative Extension Office, and numerous private organizations continue to educate the public on the state's natural resources.

New Hampshire: The New Hampshire Fish and Game Department coordinate Project WILD and Project WILD Aquatic activities for teachers. State forestry/conservation agencies, the University of New Hampshire's Cooperative Extension Office, and numerous private organizations continue to educate the public on the state's natural resources. Project Learning Tree in New Hampshire has developed a crosswalk with the State Department of Education curriculum frameworks to help educators link Project Learning Tree activities with mandated curriculum elements. The Division of Forests and Lands has three forestry education centers in New Hampshire for public outreach and education.

New York: The state's Department of Environmental Conservation facilitates teachers' use of Project Learning Tree and Project WILD. New York's Biological Research Institute's mission includes biodiversity education. State conservation agencies, Cornell's Cooperative Extension Office, SUNY ESF and numerous private organizations continue to educate the public on the state's natural resources. New York's network of conservation education camps and environmental education centers enhances natural resource and public education of youth.

Vermont: The Vermont Department of Forests, Parks, and Recreation administers Project Learning Tree, while the state's Department of Fish and Wildlife coordinates Project WILD. The Vermont Nongame and Natural Heritage Program's mission includes establishing educational programs on natural communities. State conservation agencies, the University of Vermont's Cooperative Extension Office, and numerous private organizations continue to educate the public on the state's natural resources.

Prospects for Future Implementation: While portions of this recommendation have been implemented and those efforts are likely to continue, the general public and the education community's support for requiring a natural resource component for graduation have waned. Newly enacted mandatory testing focuses administrators' and teachers' efforts on core curriculum and student's successful completion of tests, and poses a barrier to integrating new material on natural resources into the curriculum. The extensive use of the World Wide Web presents both opportunities and problems for organizations involved in natural resource education. While it enables these organizations to provide more directed education materials, it requires these organizations to keep the information updated and sufficient to satisfy the public's education needs. As the process of compiling the information for this report demonstrated, many natural resource organizations' web sites do not meet this challenge. Information is often not available, dated, or difficult to find. As the public acceptance of this new media grows, experts predict that the web will be the public's initial source for natural resource information and education materials. To fulfill this demand, natural resource organizations will require additional monetary, and perhaps personnel, resources.

Related Recommendations: 4 (Encourage green certification programs), 10 (Educate forest users and the public about sound forest management), 12 (Achieve principles of sustainability), 33 (Support cooperative efforts among the four state universities), and 35 (Conduct and publish decennial surveys in a timely fashion).

CONCLUSION

During our research for this report, one of the interviewees told us that working on this project was like “holding up a lightning rod in an electric storm.” He was correct. Our interviews and questionnaires elicited some interesting responses including five page letters and e-mails. As one of our interviewees stated, the NFLC’s report and the process that produced it forced people with differing views to discuss issues that affected their families, friends, jobs, communities, and future. Some people never supported the NFLC process, while others embraced its findings and recommendations.

The NFLC’s recommendations are one of many forces that encouraged change over the last decade. Whether or not the NFLC recommendations were always critical is not important. The fact that considerable change has taken place is truly important. The NFLC provided grounding and a baseline for improvement.

This report documents many accomplishments. Green certification, easements and other non-fee ownership mechanisms, improved workplace safety, and increased forest-based recreation are important examples. Many recommendations, however, have been only partially implemented or not implemented at all. This is especially true of recommendations directed toward Congress. Action by the Congress will require using the federal budget surplus to fund the actions or reduce tax impacts on private owners. To date, this only has occurred in the shotgun fashion commonly known as the pork barrel. Serious reflections and action are unlikely at the federal level in the near term.

To paraphrase one of our interviewees, “the NFLC and its recommendations got people’s attention and got them talking.” We hope that this report rekindles interest in the NFLC’s recommendations both within the states and in Washington, D.C. and empowers them to implement many of the remaining recommendations.

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APPENDIX A: February 1997 Implementation Analysis

In February 1997, Joseph Michaels, the NFLC federal liaison, assessed whether the NFLC's recommendations had been implemented two years after *Finding Common Ground* was released. This appendix contains Mr. Micheal's implementation analysis, which we have reformatted. We have included this analysis because it can be compared with our report to analyze recommendation implementation progress during the past four years.

Recommendation 1: Fund Forest Legacy

None – National program funding has fallen back to only \$2 million despite much progress on tracts acquired and a new state grant option. NFL states will get less than half of this in '97.

Maine: 9,815 acres protected; Needs – \$2 million for 15,259 acres.

New Hampshire: 400 acres protected; Needs – \$1.5 million for 9,940 acres.

New York: 141 acres protected; Needs – \$658,000 for 1,878 acres.

Vermont: 37,477 acres protected; Needs – \$1.2 million for 6,000 acres.

Total Needs: \$5 million plus in unfunded cases, plus a back log of interested landowners estimated at \$40 million per year.

Recommendation 2: Fund state easement programs

Maine: Not Assessed.

New Hampshire: None now or likely in the near future.

New York: Voters passed \$1.75 billion Clean Water/Clean Air Bond Act which includes \$150 million for acquisition.

Vermont: Not Assessed.

Recommendation 3: Fund the Stewardship Incentive Program

None – has been cut back to \$4.5 million.

Table 8: Non-Industrial Private Forest (NIPF) Lands enrolled in Stewardship Incentive Program (SIP)

	State's NIPF lands (thousands of acres)	State's NIPF lands enrolled in SIP (thousands of acres)	Percentage of state's NIPF lands enrolled in SIP
Maine	8,353	161	2%
New Hampshire	3,370	269	8%
New York	13,687	807	6%
Vermont	3,421	173	5%

Recommendation 4: Encourage green certification programs

AF&PA has been very proactive with its national Sustainable Forestry Initiative (SFI) . . . but does not "certify"

Maine: SFI active.

New Hampshire: Industry sponsored programs associated with SFI are moving forward.

New York: DEC finds marked lack of manufacture or consumer demand. SFI strong.

Vermont: SFI.

Recommendation 5: Strengthen current use tax programs.

Maine: No new action; current program being challenged.

New Hampshire: Very effective program in place.

New York: No new action.

Vermont: Property tax reform on legislative agenda this year including "current use."

Recommendation 6: Consider replacing ad valorem taxation system with current use.

Maine: Legislation to accomplish failed in last session of legislature.

New Hampshire: One in place now.

New York: No new progress to report.

Vermont: See #5

Recommendation 7: Change estate tax policies.

Sen. Gregg's proposed legislation will be re-introduced in the next Congress. Maybe this time.

Recommendation 8: Allow inflation adjustment on the original cost of timber.

Nothing on the horizon for IRS, and nothing likely to occur that would threaten revenues with balancing the budget a top priority.

Recommendation 9: Eliminate rule on 100 hours per year (passive loss – IRS).

Same. With balancing the budget the #1 issue, no support for more tax relief.

Recommendation 10: Educate forest users and public about sound forest management (sustainability).

Maine: Undertaking assessment of its current Natural Resource Education Program.

New Hampshire: Ongoing outreach plus EPA grant to conduct landowner and professional workshops on *Recommended Forest Practices Manual*.

New York: A sustained effort in outreach re: forest stewardship and management.

Vermont: Forest Resource Advisory Council (FRAC) working on Sustainability Management practices.

Recommendation 11: Assess forest practices and programs.

Maine: Situation unclear. Expect continued debate over state forest policy.

New Hampshire: Recodified all existing legislation.

New York: Forest Practices Board is assessing and revising forest practice standards and a draft timber harvesting ordinance.

Vermont: See #10 . . . plus conducted assessment of clearcutting, acceptable management practices, and heavy cutting.

Recommendation 12: Achieve principles of sustainability.

Maine: Council on Sustainable Forest Management issued report in July 1996.

New Hampshire: FSSWT group released draft "Recommended Voluntary Forest Practices Manual" in December 1996. Will complete "Current Condition and Capability Assessment" in 1997.

New York: No new progress to report.

Vermont: FRAC's benchmarks of sustainability complete (Phase 1).

Recommendation 13: Fund public land management agencies.

Green and White Mountain National Forests' budgets declined.

Maine: Bureau of Public Lands and Parks and Recreation combined. Downsizing. Many jobs eliminated.

New Hampshire: Budgets going down.

New York: Job reductions through attrition.

Vermont: Reduction in staff and budget.

Recommendation 14: Institute national excise tax on recreation equipment.

Some pending legislation floating around. May possibly be included in resurrected NF Stewardship Bill to be re-introduced this Congress. NY says Wildlife Diversity Initiative still alive.

Recommendation 15: Refine state land acquisition planning programs (goal-oriented process).

Maine: State Planning Office now coordinating public lands acquisition process.

New Hampshire: Nothing right now but SPNHF to gear up as ecological reserve project becomes better defined.

New York: Open space plan prioritizes acquisition targets, plan update underway.

Vermont: Major planning initiative underway . . . next 1.5 years.

Recommendation 16: Fund L&WCF Program (at least 60%).

NF Alliance et. al. working with a new national coalition to refund L&WCF with strong commitment to state funding.

Recommendation 17: Fund state land acquisition program.

Maine: Maine Outdoor Heritage Fund from state lottery game. Also “affinity credit card” where proceeds go to Land for Maine’s Future program.

New Hampshire: See #15

New York: See #2

Vermont: Continues through Vermont’s Housing & Conservation Trust Fund Appropriations.

Recommendation 18: Employ variety of conservation tools to conserve landscapes.

See #1 (Forest Legacy) and #2 (State easement programs).

Recommendation 19: Exclude from income tax portion of the gain from conservation sales.

See #9

Recommendation 20: Assess water quality trends (by 6/96).

Maine: Forest Resource Advisory Team published an assessment of compliance with BMP’s. Discussion about future policy coming up.

New Hampshire: No new progress to report.

New York: No new progress to report.

Vermont: Assessment of Acceptable Management Practices (AMP). Water quality statutes now being evaluated by DEC.

Recommendation 21: Conserve and enhance biodiversity (by 6/96).

Maine: Forest biodiversity project still active. Released assessment of Maine’s biodiversity in 1996.

New Hampshire: Published “New Hampshire Living Legacy, the Biodiversity of the Granite State.” Ecological Reserve Steering Committee established last year. They will develop a framework for ecoreserves.

New York: Ongoing forest and wildlife management programs are achieving this objective.

Vermont: Biodiversity Project well underway. Conservation Lands Strategy underway.

Recommendation 22: Increase funding for rural community assistance program (USFS-RD through Forestry).

Rural Development Funding is decreasing . . . not increasing.

Recommendation 23: Encourage marketing cooperatives and networks.

No new progress to report.

Recommendation 24: Direct assistance to natural resource-based business (state agencies).

Maine: No new progress to report.

New Hampshire: Sarah Smith (Coop Ext) now works one day a week in Office of Business and Industrial Development.

New York: Strong DEC Forest Products Utilization and Marketing program. Partnerships with state and local economic development organizations formed.

Vermont: On-going work in Marketing & Utilization . . . working with Economic Progress Council.

Recommendation 25: Authorize and fund community financial institutions, or something similar.

No new progress to report.

Recommendation 26: Promote public policy to provide forest-based recreation (e.g., liability).

Maine: Legislation passed. Simplifies regulatory program for rebuilding sporting camps and remote campsites on private land.

New Hampshire: No new progress to report.

New York: No new progress to report.

Vermont: Landowner Liability protection amendments new in legislature.

Recommendation 27: Improve workplace safety.

No new progress to report.

Recommendation 28: Reform worker's compensation insurance programs.

Maine: Completed.

New Hampshire: No new progress to report.

New York: Recent legislation on comprehensive reforms with anticipated 15% cost reduction.

Vermont: No new progress to report.

Recommendation 29: Review the effectiveness of administrative rules (state agencies).

Maine: All agencies undertook in 1995.

New Hampshire: No new progress to report.

New York: No new progress to report.

Vermont: No new progress to report.

Recommendation 30: Simplify and stabilize the regulatory process (6/95 state agencies).

Maine: Legislature passed a law in 1996 requiring legislative review and approval of "major and substantial" rules.

New Hampshire: No new progress to report.

New York: No new progress to report.

Vermont: No new progress to report.

Recommendation 31: Review land use planning programs.

Maine: LURC still revising draft Comprehensive Land Use Plan.

New Hampshire: No new progress to report.

New York: No new progress to report.

Vermont: No new progress to report.

Recommendation 32: Establish consistent truck weight regulations (state agencies).

Maine: No new progress to report.

New Hampshire: No new progress to report.

New York: No new progress to report.

Vermont: On-going effort in legislature.

Recommendation 33: Support cooperative efforts among four state universities (Universities and USDA FS-SP&F).

I have contacted Research (Northeastern Station) asking for a meeting to start moving this forward. This is also addressed in proposed stewardship legislation.

Recommendation 34: Track and analyze land conversion trends (state agencies).

Maine: No new progress to report.

New Hampshire: No new progress to report.

New York: No new progress to report.

Vermont: Major Landowner Survey conducted. Assessing trends.

Recommendation 35: Conduct and publish decennial surveys in a timely fashion.

State Foresters met in March 1996 to address this and other FI&A issues. Core group presented recommendations to NAASF. Final report due 3/97.

Recommendation 36: Use the NFL Inventory.

Maine: Info collected and automated; is regularly used by state agencies and others.

New Hampshire: No new progress to report.

New York: No new progress to report.

Vermont: All GIS layers and data distributed regions and planning commissions.

Recommendation 37: Promote natural resource education for the public (states).

Maine: See #10

New Hampshire: No new progress to report.

New York: No new progress to report.

Vermont: Working on “Ecosystem Management Centers.” Other on-going work in PLT, Project WILD, et. al.

APPENDIX B: NFLC's Citizen Advisory Committee and Work Group Subcommittees Questionnaire

A Five Year Assessment of Implementation Progress of the Recommendations of the Northern Forest Lands Council by The Faculty of Forestry at the SUNY College of Environmental Science and Forestry

Part I Assessing the Northern Forest

In the Northern Forest Lands Council's (NFLC) 1994 report, *Finding Common Ground*, the NFLC declared that its recommendations were intended to help the Northern Forest become "a landscape of interlocking parts and pieces, inseparable, reinforcing each other: local communities, industrial forest land, family and individual ownerships, small woodlots, recreation land, public and private conservation lands." While the NFLC stated that this was its long term goal and that it would take years to attain this goal, we would like your opinion on whether conditions have **improved** in the Northern Forest since 1994.

Please circle your response.

Since *Finding Common Ground* was issued in 1994, I believe that:

1. Property owners have been able to hold and manage land for forest products and other benefits.

Disagree **Agree**

1 2 3 4 5 6 7

2. Communities have strengthened their natural resource-based economies.

Disagree **Agree**

1 2 3 4 5 6 7

3. Biological diversity has been protected through management based on sound scientific principles.

Disagree **Agree**

1 2 3 4 5 6 7

4. Lands have been acquired for public ownership based on clear public priorities, demonstrated need, and fairness to landowners.

Disagree **Agree**

1 2 3 4 5 6 7

5. Public recreation has been provided on public and private land as an important part of the region's economy and way of life.

Disagree **Agree**

1 2 3 4 5 6 7

6. Conservation easements have been used to protect lands from development to ensure sustainability of the forest resource in areas with significant development pressures.

Disagree **Agree**

1 2 3 4 5 6 7

Part II Identifying Experts on Specific Recommendations

We would like you to identify experts within YOUR state that will enable us to evaluate whether specific NFLC recommendations were implemented in your state. Upon receiving these questionnaires, we will contact the two experts selected by the most respondents. If they agree, we will conduct a telephone interview with these experts to get their opinion on whether the NFLC's recommendations have been implemented in your state.

The list below contains a summary of the recommendations we need to evaluate. If you would like more information about any of the recommendations, please refer to the enclosed sheet that contains a complete description of all of the NFLC's recommendations.

In addition, we have provided a list of all the members of the NFLC's Citizen Advisory Committee and Subcommittee Work Group members located within your state cited in the Appendices of *Finding Common Ground*. We have included this list for your convenience since we believe that some of these people may be experts on whether some of these recommendations have been implemented.

Please list the names of your recommended experts below each recommendation. We realize that you may not be able to recommend one or two experts for each recommendation. Please list as many as you can.

Recommendation 2: Fund state easement programs. States should continue to support and fund their conservation easement programs.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 4: Encourage green certification programs. State forestry and economic development agencies should encourage and cooperate with emerging private green certification programs that recognize landowners who practice sustainable forest management.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 5: Strengthen current use tax programs. State legislatures should review existing current use tax programs and adopt a variety of changes.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 6: Consider replacing the ad valorem taxation system. State legislatures should consider replacing the *ad valorem* system with one based on current use for all property.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 7: Change estate tax policies. Congress and the state legislatures should change estate tax policies to reduce the pressure on heirs to sell, convert, or otherwise change the character of family forest ownerships.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 8: Allow inflation adjustment on the original cost of timber. Congress and state legislatures should change income tax policies to allow adjustments for inflation on the basis (original cost) of timber owned by forest landowners.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 10: Educate forest users and the public about sound forest management. States should strengthen and expand current programs to inform loggers, foresters, landowners, and the general public about sound forest management practices, and the Principles of Sustainability.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 11: Assess forest practices and programs. States should conduct, by June 1996, and periodically thereafter, scientifically-based assessments of the impact of existing forest practices, programs, and regulations, to evaluate their adequacy in achieving the Principles of Sustainability.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 12: Achieve Principles of Sustainability. State forest roundtables, or something of a similar nature, should implement action to achieve the Principles of Sustainability.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 13: Fund public land management agencies. Congress and the states should provide sufficient funds to public land management agencies to manage and maintain existing public land holdings and recreation facilities for increased public use; to protect fragile areas; and to enhance public health and safety at existing facilities.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 15: Refine state land acquisition planning programs. By June 1996, states, in consultation with local governments, should refine their existing state land acquisition programs to follow a goal-orientated, public planning process.

Recommended Experts:

1. Name: _____ Affiliation: _____

2. Name: _____ Affiliation: _____

Recommendation 17: Fund state land acquisition programs. States should continue their history of providing funding for land acquisition through land purchase bonds, dedicated funds, private contributions, and legislative appropriations to purchase fee or less-than-fee interest in lands in conformance with the land acquisition process.

Recommended Experts:

1. Name: _____ Affiliation: _____

2. Name: _____ Affiliation: _____

Recommendation 18: Employ a variety of conservation tools. States should employ a variety of tools in addition to fee acquisition to conserve working landscapes and public values.

Recommended Experts:

1. Name: _____ Affiliation: _____

2. Name: _____ Affiliation: _____

Recommendation 19: Exclude from income tax a portion of the gain from conservation sales. Congress and the state legislatures should change their income tax codes to exclude from income tax a portion of the gain received from sale of "qualified forest lands" and conservation easements to public conservation agencies (or third party organizations if lands are re-conveyed to a public agency within two years).

Recommended Experts:

1. Name: _____ Affiliation: _____

2. Name: _____ Affiliation: _____

Recommendation 20: Assess water quality trends. By June 1996, states should assess water quality trends within the Northern Forest from data, report on suspected or confirmed causes of identified deterioration, and propose revisions to state water pollution laws to stem that deterioration.

Recommended Experts:

1. Name: _____ Affiliation: _____

2. Name: _____ Affiliation: _____

Recommendation 21: Conserve and enhance biodiversity. By June 1996, states should develop a process to conserve and enhance biodiversity across the landscape.

Recommended Experts:

1. Name: _____ Affiliation: _____

2. Name: _____ Affiliation: _____

Recommendation 23: Encourage marketing cooperatives and networks. State and federal forestry and economic development agencies should encourage and support primary and secondary wood products firms by fostering establishment of marketing cooperatives or networks.

Recommended Experts:

1. Name: _____ Affiliation: _____

2. Name: _____ Affiliation: _____

Recommendation 24: Direct assistance to natural resource-based businesses. State economic development agencies should work with state natural resource agencies to direct financial, technical, and marketing assistance to natural resource-based business concerns.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 26: Promote public policy to provide forest-based recreation. Congress and state legislatures should enact legislation and promote public policy to provide forest-based recreation opportunities to the public.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 27: Improve workplace safety. State forestry agencies, with funding from the USDA Forest Service and other appropriate sources such as the US Department of Labor, should cooperate with appropriate forest products associations and recreation business groups to establish or expand training programs to improve workplace safety and reduce workers' compensation claims.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 28: Reform workers' compensation insurance programs. State legislatures should reform their workers' compensation insurance programs to reduce costs.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 29: Review the effectiveness of administrative rules. Beginning June 1995, state agencies should review the effectiveness of administrative rules regarding business, land use, and the environment, using a process that repeats every five years and involves all interested parties.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 30: Simplify and stabilize the regulatory process. Beginning June 1995, state agencies should develop and implement innovative approaches to simplify and stabilize the regulatory process.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 31: Review land use planning programs. Agencies and organizations involved with land use planning should review their existing programs and plans.

Recommended Experts:

1. Name: _____ Affiliation: _____
2. Name: _____ Affiliation: _____

Recommendation 32: Establish consistent truck weight regulations. State transportation agencies should coordinate with one another to establish consistent buck weights regulations across the region.

Recommended Experts:

1. Name: _____ Affiliation: _____

2. Name: _____ Affiliation: _____

Recommendation 33: Support cooperative efforts among four state universities. The state universities and USDA Forest Service's State and Private Forestry Branch should support formal cooperative efforts among the forestry schools of the state universities in the four Northern Forest states.

Recommended Experts:

1. Name: _____ Affiliation: _____

2. Name: _____ Affiliation: _____

Recommendation 34: Track and analyze land trends. Appropriate state agencies should develop information management systems to track and analyze real estate conversion trends.

Recommended Experts:

1. Name: _____ Affiliation: _____

2. Name: _____ Affiliation: _____

Recommendation 36: Use the Northern Forest Resource Inventory. In their land conservation and planning efforts, states should use the natural and economic resource data provided through the Northern Forest Resource Inventory.

Recommended Experts:

1. Name: _____ Affiliation: _____

2. Name: _____ Affiliation: _____

Recommendation 37: Promote natural resource education for the public. States should promote natural resource education for the general public, from youth to adult.

Recommended Experts:

1. Name: _____ Affiliation: _____

2. Name: _____ Affiliation: _____

Part III Your Assessment of NFLC's Recommendations

We would like your opinion about whether the NFLC's recommendations have been implemented. In the space provided, please identify the recommendation(s) you are evaluating and provide us with your opinion about:

1. The extent of implementation,
2. Barriers to implementation, including changed circumstances, and
3. If the recommendation was not implemented, factors or conditions that prevented implementation.

Please feel free to attach additional pages.
