



American Forest Foundation

1111 Nineteenth Street, NW
Suite 780
Washington, D.C. 20036

December 8, 2008

President-elect Obama
Office of the President-elect
Washington, DC

Dear President-elect Obama:

The American Forest Foundation (AFF) is pleased to offer the attached policy recommendations for your consideration. The American Forest Foundation, through our network of over 90,000 family forest owners who own roughly 24 million forested acres, conservation partners, and environmental educators, strives to create a future where North American forests are sustained by a public which understands and values the social, economic, and environmental benefits they provide to our communities, our nation, and the world.

The attached policy recommendations have the potential to help conserve America's private forests and the environmental benefits that these forests provide to society. In addition, these recommendations can also help create thousands of new green jobs in rural America, increase the nation's energy security by promoting greater use of renewable energy, and address the most pressing environmental challenge our nation faces—climate change.

We stand ready to help you accomplish your energy, environmental, and economic goals. We are happy to provide additional details on these recommendations, at your request.

Thank you.

Sincerely,

Laurence D. Wiseman
President



American Forest Foundation

**Keeping Working Family Forests as Forests
Policy Recommendations for President-elect Obama
December 8, 2008**

Over 4.4 million families and individuals own roughly 262 million acres of forests in the U.S., making them the largest forest ownership group in the nation. Unfortunately, these private forestlands are disappearing at a rate of roughly 2,000 acres a day. Annually, this amounts to a loss of about 1 million acres, an area roughly the size of the state of Delaware. Replacing these natural treasures are parking lots, condominiums, highways, and other non-forest uses.

In addition to forest loss, forested tracts are being broken up into smaller tracts at alarming rates. The US Forest Service predicts that by the year 2030, roughly 44.2 million acres of forests will experience substantial increases in housing density.

Why are Family Forests Disappearing?

- Development pressures
- Fading markets for forest products
- Forest health and wildfire threats
- High taxes as property values increase
- Tough regulatory environment

As these working forests are broken up and disappear, we lose the nation's most efficient and effective sequestration tool for reducing greenhouse gas emissions. In addition, we lose habitat for

Why are Working Family Forests so Important?

Working family forests provide environmental and economic benefits to the families that own them and the communities that rely on them. Working forests are healthy and resilient—better able to withstand pressures from climate change, wildfires, pests, and urban sprawl.

wildlife, clean water filters, wild places to hunt, fish, hike, and recreate, and the natural beauty of forests in our communities. We also lose millions of green jobs as working forests disappear—forest-related industries employ over 1.2 million people in rural communities, generate billions in recreation-related revenue, and provide wood

products, renewable energy, and other goods that society values.

Family forest owners want to conserve their land, they want to keep it in their family and keep the land as a forest, but too often these families are overwhelmed when a developer knocks on their door or it comes time to pay their taxes.

We must confront this national issue head on and slow the tide of disappearing working forests. We recommend the following policy solutions for your consideration as you take the reins of America:

- 1) Opening new market opportunities for family forest owners;
- 2) Creating a favorable tax environment that encourages stewardship and long-term conservation of family forests;
- 3) Providing strong conservation incentives for family forest owners; and
- 4) Investing in Environmental Education—as a key to sustaining forests and the environment, and improving student performance.

1) ***Open new market opportunities for family forest owners***--including renewable energy, green building, and carbon markets. This can be accomplished by:

- Implementing climate change policies that create both market and non-market incentives for carbon sequestration and storage in working family forests. This will have a two-fold benefit of reducing greenhouse gas emissions while also helping families conserve their forests.
- Working with Congress to correct the Renewable Fuels Standard to ensure that all sustainably harvested biomass from family forests can contribute to meeting the Nation's renewable fuels and environmental goals without overly burdensome restrictions.
- Working with Congress to ensure that any new mandates for renewable energy clearly allow the use of sustainably produced biomass from family forests.
- Ensuring that any incentives or regulations for green building serve to create a level playing field for wood products harvested under all credible forest certification systems, including the internationally recognized American Tree Farm System.

2) ***Create a favorable tax environment that encourages stewardship and long-term conservation of family forests***. While there are a number of tax policy changes that will accomplish these goals, we request your support for the following priorities, given the current economic situation:

- Repeal or improvement of the estate tax to ensure the tax does not force families to practice unsustainable forest management or convert their forest to non-forest uses.
- Extended or permanent tax incentives for conservation easements that ensure long-term conservation of family forests.
- Modification of recently enacted endangered species tax deduction to allow family forest owners to take advantage of the deduction.

- Modification of casualty loss provisions to allow families to deduct losses suffered from hurricanes, wildfires, windstorms, and other disasters based on either the tax basis or 50% of the loss, whichever is greater.

3) ***Provide strong conservation incentives for family forest owners*** to encourage sustainable forest management and to address threats such as climate change, development pressures, wildfires, and forest pests. We recommend focusing on the following areas:

- Correct the wildfire funding crisis. In the absence of adequate firefighting funding, the US Forest Service is forced to transfer funding from non-fire programs, including those that help conserve family forests. Often these funds are not repaid. The US Forest Service efforts to provide strong forest conservation incentives will continue to be hamstrung unless steps are taken to correct this problem.
- Support US Forest Service, State and Private Forestry Programs. We recommend increases in funding and a focus on landscape priorities to improve program effectiveness in the Forest Stewardship Program, Forest Health Program, the Forest Legacy Program, and State Fire Assistance. These programs should be focused on assisting family forest owners with climate change adaptation and mitigation.
- Continue to advance rules and implementation of 2008 Farm Bill Conservation, Energy, and Forestry Programs. These programs should provide increased incentives for family forest owners.
- Strengthen incentives for endangered and threatened species habitat conservation in private forests through the Fish and Wildlife Service's Private Stewardship Grants, the Cooperative Endangered Species Conservation Fund, Habitat Conservation Planning, and other programs.

4) ***Invest in Environmental Education—as a key to sustaining forests and the environment, and improving student performance.*** Educating our young people, the next generation of conservationists, is critical to long-term conservation of forests and the betterment of communities. We request your support for the following education priorities:

- Passage of the No Child Left Inside Act, authorizing \$100 million in funding for environmental education efforts.
- Reauthorization of the National Environmental Education Act, which funds environmental education through the Environmental Protection Agency.
- Increased emphasis on outdoor learning and environmental education in Department of Education programs and initiatives.