

Testimony of
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The Healthy Forests Reserve Program:
A Unique Approach To Recovering Threatened and Endangered Species

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Subcommittee On Forests and Forests Health

GAO Five Year Update on Wildland Fire & Forest Service/Bureau of Land Management Accomplishments in Implementing
the Healthy Forests Restoration Act

THE HEALTHY FORESTS RESERVE PROGRAM:
A UNIQUE APPROACH TO RECOVERING THREATENED AND ENDANGERED SPECIES

" Conservation will ultimately boil down to rewarding the private
landowner who conserves the public interest."

Aldo Leopold
Conservation Economics, 1934

Chairman Walden, Ranking Member Udall, Members of the Committee, thank you for the opportunity to appear before you today to speak on the Healthy Forest Restoration Act (HFRA), specifically one of the titles that concerns private lands. We worked hard to pass this legislation. Many of you have spent a lot of time on it as well and a lot of us in the conservation community appreciate it.

I am James L. Cummins, Executive Director of the Mississippi Fish and Wildlife Foundation. I am a certified fisheries biologist, a certified wildlife biologist and a private landowner. Our family's 140 acres has been in the family since 1833, during that time it has undergone many changes from cotton to cattle/corn to timber/wildlife today. Some of our more significant accomplishments include conceptualization of the Wildlife Habitat Incentives Program, helping pass the Grassland Reserve Program and developing many of the components of the Wetland Reserve Program. Regarding public lands, we worked to develop the Holt Collier and Theodore Roosevelt National Wildlife Refuges as well as the Sky Lake Wildlife Management Area, which contains the largest stand of ancient cypress in the world.

Background

Healthy forests comprise more than just forest management and fire prevention on public lands. According to the USDA Forest Service (USFS), nationwide, public forestlands comprise 317 million acres (42.38%) and private forestlands comprise 431 million acres (57.62%), predominantly in the eastern United States. And although in many ways these private lands are a model for achieving healthy forests through active management for multiple uses, it is also important to recognize the challenges to maintaining and improving the health of these privately owned forests.

Private forests provide approximately 89% of the nation's timber harvest. According to the latest data from the USDA Forest Service, specifically the Southern Forest Resource Assessment, nationwide, the South alone provides 60% of the nation's timber supply, making it the largest producer of timber compared to any country in the world. Furthermore, more board feet of timber are annually harvested from the National Forests in Mississippi than all of the National Forests in the Pacific Northwest combined. Although many factors affect these seemingly lopsided statistics, the primary reason that private forests produce so much timber is that they are being actively managed.

And while our nation depends so heavily on these private forests to produce the thousands of wood products we need every day, we are also depending on these same forests to provide many other services that benefit society, for most of which landowners never receive compensation. These free services to society include producing oxygen, sequestering carbon dioxide, filtering air and water, providing fish and wildlife habitat, including that for threatened and endangered species, improving the aesthetic beauty of the natural landscape and providing opportunities for recreation and solitude, just

to name a few.

We as a nation have come to expect all of this from private forest landowners while rarely giving thought to how they can afford to provide these services "free of charge," when these services cost landowners. It is a cost that can only be recovered through the selling of timber, or by divesting of the land. In other words, we depend on private forest landowners to invest in land and timber management activities, often with a 50 to 100 year investment time frame, in hopes that the eventual timber value will be sufficient to offset the cost of owning and managing the land.

And while this may be possible for some private landowners, many small and medium sized landowners continue to find it difficult, if not impossible, to invest in active and sustainable management of healthy forests over such a long time. Add to this the uncertainty of regulations that might limit land management options, as well as the misinformed, but ever increasing, campaign against the use of wood products, and it is easy to see why more and more private forest landowners are choosing to divest of their lands. These lands are rapidly being developed and broken into smaller units that cannot sustain many of the benefits and services society depends on from these lands. It is for these reasons that the Healthy Forest Restoration Act included Title V, the Healthy Forest Reserve Program, to address various concerns on private forestlands.

While private forest lands are generally in better condition than public lands, according to the Southern Forest Resource Assessment, there are substantial opportunities to reach out to the Nation's private, forest landowners with incentives that will assist them in better protecting and managing these resources. It is estimated that private lands provide habitat for 90% of our Nation's endangered species. The South has the largest percentage of listed species in the nation. For example, eight of the top ten states/territories with the most listings are in the South; they include: Alabama (115), Florida (111), Georgia (66), North Carolina (63), Tennessee (96), Texas (91), Virginia (71) and Puerto Rico (75). Mississippi has 38.

The Endangered Species Act (ESA) has been effective in preventing some species from becoming extinct; however, it can be significantly improved by incorporating new recovery efforts. As long as the status quo of not increasing habitat, therefore not increasing populations, is maintained, the full recovery and delisting of populations of many species will not happen.

Landowners need the encouragement, financial support and backing of federal and state governments to undertake projects to restore rare forests and the declining, threatened and endangered species they support. Incentive-based programs provide the basic operating framework to accomplish this objective. When funded, the Healthy Forests Reserve Program (HFRP) will encourage the formation of constructive and cooperative alliances with federal and state agencies to implement fish, wildlife and forest conservation on private lands. It represents the best mechanism to increase forest landowner participation, reduce landowner conflicts and thereby optimize environmental benefits of the HFRA.

There are many rare forest ecosystems in the United States that exist largely on private lands that require active forest management for their restoration and will require substantial financial incentives for their ultimate restoration and conservation. Examples include the once great longleaf pine forest of the southern coastal plain, fire-maintained, natural southern pine forests, southwestern riparian forests, Hawaiian dry forests, Southern Appalachian spruce fir forests, mature Eastern deciduous forests, California riparian forests, old-growth forests of the Pacific Northwest, mature red and white pine forests of the Great Lake states, fire-maintained ponderosa pine forests and southern forested wetlands.

The states with the greatest risk of forest ecosystem loss are Florida, California, Hawaii, Georgia, North Carolina, Texas, South Carolina, Virginia, Alabama and Tennessee. This list almost mirrors that of the states with the most listed species.

For example, across the southern coastal plain, the longleaf pine ecosystem once covered some 74 - 92 million acres from southern Virginia to central Florida and west to eastern Texas. Each of you should have a copy of a handbook that we prepared in partnership with the U.S. Fish and Wildlife Service. It will provide you a practical example of how the HFRP should work. Longleaf pine currently covers less than 3 million acres, much of which is highly degraded. The longleaf pine ecosystem is characterized by open-canopied stands and is one of the most biologically diverse temperate forest ecosystems in North America. Over 20 federally-listed species (candidate, threatened, endangered) inhabit the longleaf pine ecosystem. The longleaf pine ecosystem also makes significant contributions to biodiversity and carbon sequestration. Moreover, longleaf pine produces superior solid wood products, including saw timber, utility poles and other high value products.

The restoration and enhancement of degraded forest ecosystems to conditions as close to natural is emphasized through the creation of the HFRP. The HFRP's philosophy is to work proactively with private landowners for the mutual benefit of declining Federal trust species and the interests of the landowners involved.

An Incentive-Based Approach

The Conservation (CRP) and Wetland (WRP) Reserve programs pay property owners for implementing conservation practices. Many conservation groups consider them the most broadly popular and successful conservation programs ever passed by Congress. Waterfowl populations and many other birds have increased due to these programs. These programs are demonstrating that wildlife population declines are reversible by habitat restoration. They have also stimulated rural development through increased expenditures for wildlife-associated recreation, which further stewardship and improve rural economies.

These types of habitat restoration approaches, and those that include cost-share for conservation practices like the Wildlife Habitat Incentives Program and the Partners for Fish and Wildlife Program, present an opportunity to solve many problems associated with the recovery of threatened and endangered species in a manner that will maintain a strong economy and respect private property rights. The approach described herein will help make the Endangered Species Act (ESA) more effective.

Habitat for threatened and endangered species, improving biodiversity, slowing urban and military base encroachment and sequestering carbon can all be accomplished by encouraging property owners, through financial assistance, to develop and maintain conservation programs that meet national and international standards. The current Farm Bill does not provide enough incentives to allow for significant population recovery. Problems exist with CRP due to its limited enrollment period (10-15 years) and problems that could occur after the contract expires. This is a key to meeting the Nation's international commitments and better safeguarding the Nation's heritage in fish and wildlife.

While there are now programs under the ESA that address rare species before they are listed under the law, more needs to be done to keep species off the list by acting early and proactively. The HFRP should concentrate on improving forests, therefore a species' habitat, before the species reaches a threatened or endangered status (i.e., rare, peripheral and special concern).

Administration and Implementation

I am pleased to see that the Natural Resources Conservation Service (NRCS) will administer the HFRP. Since the NRCS currently has strong outreach capabilities in all of the states with the greatest forest ecosystem loss (an office in almost every county/parish) and are very experienced in delivering private land conservation programs, they will be very effective and efficient in delivering the HFRP. The USFS should assist the NRCS in administering and implementing the program. Other appropriate state and federal agencies and non profit organizations may be consulted with in carrying out the HFRP as the legislation allows.

The NRCS and the USFS, in coordination with the U.S. Fish and Wildlife Service (USFWS) and the National Oceanic and Atmospheric Administration's (NOAA) Fisheries Division, shall describe and define forest ecosystems and the associated species targeted to recover. Both the USFWS and the NOAA will be in a position to provide constructive solutions to aiding in recovery efforts.

The NRCS and the USFS should promote the program to private landowners. Other appropriate state and federal agencies and non profit organizations may also conduct outreach activities at their expense. As authorized, NRCS may employ technical service providers as it does with the conservation provisions of the 2002 Farm Bill.

Interested landowners should make application at a local NRCS or USFS office. Ranking criteria for each state and forest ecosystem of concern should be developed through a committee similar in function as the State Technical Committee. All applications should be scored and ranked. Contracts should be awarded to the highest ranking applications for each state.

The USFWS, USFS and NOAA should aid the NRCS in providing technical assistance and developing restoration plans. A State fish and wildlife agency, State forestry agency, State environmental quality agency or any other State or non-profit conservation agency/organization could assist in providing the technical assistance for the development and implementation of a restoration plan or financial assistance to aid in the cost-share. The restoration plan should maximize the environmental benefits per dollar expended.

Landowners can voluntarily sell development rights to their forestland. Eligible lands for this program includes designated forest types that contain federally-listed threatened or endangered species or a designated candidate species and that can be managed through a safe harbor agreement, candidate conservation agreement with assurances or similar, voluntary incentive-based programs. NRCS should conduct an appraisal of these rights as it does with the Wetland and Grassland Reserve programs.

To participate in the program, landowners should enter into forest restoration agreements with the NRCS to carry out activities appropriate to their property, forest types and restoration needs of the species to be recovered. Agreement terms will

be 10-years, 30-years or 99 years in duration and should provide landowners with maintenance payments for such activities as prescribed fire, natural regeneration, planning, restoration and other activities. Landowners will receive cost-share assistance for the activities.

For each forest type, the NRCS, USFS, USFWS and NOAA should develop a series of stewardship activities that could qualify as eligible forest restoration activities. Each forest type would have a unique series of activities. For example, eligible activities for the longleaf ecosystem might include planting longleaf pine on former longleaf sites, use of prescribed fire, hardwood control, restoration of native vegetation, control of invasive species, natural regeneration planning or other activities.

Where landowners are undertaking stewardship activities that directly benefit endangered and/or threatened species and where the USFWS determines that such activities will result in a net conservation benefit for the species, the USFWS will provide safe harbor assurances through Section 10(a)(1)(A) or Section 7 of the ESA that ensure that landowners will not be subject to additional regulation as a result of their stewardship commitments.

Practices/Activities

The practices of the HFRP should include, but should not be limited to: fencing for habitat protection; prescribed burning, restoration of wildlife habitat and corridors; forest stand improvement to include site preparation, tree planting, direct seeding, firebreaks, release and site preparation for natural regeneration, installation of water control structures in forested wetlands to provide beneficial habitat for wetland wildlife; installation/construction of nesting structures; restoration of hydrology; removal of barriers for aquatic species; establishment, management, maintenance, enhancement and restoration of grassed waterways and riparian areas; stream bank stabilization; installation of in stream deflectors; placement of fish screens; control or eradication of invasive exotic or competing animal and plant species; restoration of rivers and streams; removal of fish barriers; placement of fish screens; installation of low water weirs and in stream deflectors; fencing for habitat protection; augmentation of flows; best management practices and other activities approved by the Secretaries.

Other Contributions

On February 15, 2002, the Administration announced the Climate Change Initiative, which includes carbon sequestration. Carbon sequestration is designed to meet the carbon offset objectives of companies by reducing greenhouse gases. The HFRP can positively impact clean air and can be used to restore natural ecosystems through biodiversity restoration and have other positive environmental impacts such as reducing water pollution. There should be an emphasis on reforestation and forest management efforts so that it is done in a manner that both sequesters carbon and at the same time encourages biodiversity. By doing so, the United States can achieve benefits in other national and international commitments. To date, the U.S. Department of Interior has been a leader in working with energy companies to reforest lands of the USFWS in a biodiverse manner. The Southeast and the Pacific Northwest are the two most effective areas in North America for the sequestration of carbon.

With the strong concern by the public about forestry being conducted in a sterile, monoculture fashion, the HFRP should have a strong commitment to restoring and sustaining natural ecosystems that are in a state of crisis. Of course, there should be flexibility to customize projects to meet a geographic need. The HFRP can be conducted in a manner that sustainable resource management is done in a manner that is profitable and at the same time encourages biodiversity. By doing so, the United States can achieve benefits in other national and international commitments. The United States and Central American Heads of Government signed the Central American-United States of America Joint Accord (CONCAUSA) on December 10, 1994. The original agreement covered cooperation under action plans in four major areas: conservation of biodiversity, sound use of energy, environmental legislation and sustainable economic development. On June 7, 2001, the United States and its Central American partners signed an expanded and renewed CONCAUSA, adding disaster relief and climate change as new areas for cooperation. Biodiversity will promote such public benefits as improved water quality, reduced soil erosion, fish and wildlife habitat, restoring habitat for declining, threatened and endangered species and outdoor recreation. These improved environmental assets will be quantifiable and may be marketable, thus providing an additional economic incentive to continue environmental enhancement and further improve rural economies.

One of the most significant factors affecting our landscape is the continued breakup of family-owned forestlands. Family-owned forestlands are affected by changing economics and the increasing tax burden on property owners. Passing on family forestland to the next generation is a time-honored tradition.

This occurs near both urban and suburban areas and near military bases. As the demand for specialized training, such as training that occurs in total darkness, the greater the need to maintain buffers around bases. The HFRP can be utilized to limit incompatible land use or to recovery species to preclude restrictions for threatened and endangered species that might otherwise interfere with military operations.

Budget/Appropriations

For Fiscal Year 2005, it was suggested that \$25 million be incorporated in the President's Budget for the Healthy Forest Initiative for a pilot HFRP project. The pilot program would have focused on recovering the gopher tortoise in the longleaf pine ecosystem of Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Texas and Virginia (\$18 million). Restoring longleaf pine will accomplish this. There is a great opportunity to recover this species in less than 10 years. The pilot program would also emphasize recovery of one or more salmonids in the Pacific Northwest through forest restoration (\$7 million). The Umpqua cutthroat and the Northern coast coho were two proposed target species (Oregon). I and many other conservation organizations were very disappointed to learn that no funds were included in the HFRP in the President's Budget. To demonstrate support, I am providing a letter from 47 conservation organizations and 10 U.S. Senators demonstrating the need for funding the HFRP. Please include those letters as part of the record.

I request that this Subcommittee support at least a pilot program. You might consider one around military bases to assist in recovering species that impair military training operations while also reducing encroachment onto lands adjacent to the base. The HFRP is not only very much needed, but it does not duplicate other federal programs.

Summary

The type of proactive approach that the HFRP offers, when funded, will help remove the threatened and endangered species of our nation from their respective list. It will also aid a species before it reaches a status of endangered or threatened, making it unnecessary to list a species. Working with private property owners and enabling them to conserve habitat on their property is the kind of proactive strategy that can head off regulatory crises, while improving the environment and providing opportunities for economic development.

As this full Committee considers modernizing and updating the Endangered Species Act, I urge you work with your colleagues to fund the HFRP and work with the House Agriculture Committee to utilize the conservation provisions of the Farm Bill to assist in recovery. Furthermore, any legislation should include a strong invasive species control and threatened and endangered species recovery utilizing incentives, including tax-based ones, for private landowners to voluntarily participate. I think you will find that both industry and conservation groups in my part of the world will help implement conservation measures to avoid listings, recover species that are listed and do this in a manner that we work with private landowners versus against them.

Landowners in the South, and particularly Mississippi, have done a very good job of conservation of habitat for all species, no matter whether they are listed under the Act or not.

Mr. Chairman and Ranking Member Udall, this concludes my remarks. I will glad to respond to any questions that either of you or other members of the Committee may have.

Thank you.