

**GUIDING
MARYLAND'S FOREST
COMMUNITY
INTO THE 21ST CENTURY**



MARYLAND FORESTRY TASK FORCE

Interim Report to the Honorable Parris N. Glendening
Governor of the State of Maryland

February 2000



STATUS REPORT

On February 24, 1998 Governor Parris N. Glendening signed an Executive Order which created the Maryland Forestry Task Force. The Governor made clear his reasoning for creating the Task Force with a broad and challenging 2-year mission:

WHEREAS Promoting a healthy forest and abundant forest system is one of the most important legacies Marylanders can bestow upon future generations.

WHEREAS Forests in Maryland have not only been conserved and protected by various public programs for which the State has received national acclaim, including Program Open Space, the Agricultural Land Preservation Program, and the Smart Growth and Rural Legacy Programs, but have also proliferated by virtue of the faithful stewardship and management exercised by forest landowners and the forest products industry through cooperative partnerships.

WHEREAS The forest products industry is an important contributor to the State's overall economy and employment, and will play a key role in promoting the health, conservation and proper management of Maryland's privately-owned forested lands.

WHEREAS Advancing the preservation and management of Maryland's forests for future generations requires a comprehensive assessment of the issues impacting Maryland's forest landowners and the forest products industry.

Cognizant of the mission he imposed upon the Maryland Forestry Task Force and impressed with the work of the Task Force to date, Governor Glendening extended the life of the Maryland Forestry Task Force until December 2000.

Maryland's forest community is facing serious challenges during the 21st Century, most notably increased sprawl development patterns attendant to an expanding population. It is imperative we conserve and manage our renewable forest resources for future generations. This will require bold and progressive action, not unlike the steps recommended by the Task Force with this Interim Report.

The Maryland Forestry Task Force has developed many innovative policy actions to "kick start" State efforts, which will ultimately require statutory and budgetary approval by the Governor and the Maryland General Assembly. Especially noteworthy is the anticipated performance-driven and results-oriented nature of the final Report due in October 2000, a "first" in the State of Maryland from the perspective of a Gubernatorial task force. In June 1997 Governor Glendening issued a directive to all Executive Branch agencies — embodied in a document entitled, **Managing for Results**; "... a means of tracking achievements via quantifiable indices linked to specific goals and objectives." In this Interim Report The Maryland Forestry Task provides the foundations for innovative policies to advance the interests of Maryland's forest community into the 21st Century, and affirms its commitment to advance results-oriented strategies consistent with Governor Glendening's vision for A Smart Growth future.

STATEMENT FROM THE CHAIRMAN

Forests are the solution...they keep our water clean, air pure, wildlife abundant and fiber needs satisfied.

Few challenges facing us in the 21st Century are greater in importance than sustaining Maryland's forest resources in view of an expanding population and changing land use patterns. Governor Parris N. Glendening is mindful of the problems associated with forest fragmentation and parcellization and has exerted strong leadership to conserve these renewable resources for future generations. Governor Glendening's vision for Maryland's forest legacy is consistent with his nationally acclaimed Smart Growth Initiative, and is clearly reflected in the Executive Order he signed on February 24, 1998 which created the Maryland Forestry Task Force.

Inspired by the Governor's call for action, the Maryland Forestry Task Force dedicated itself to defining excellence with the development of this Interim Report. *Notable is the fact that 42% of Maryland's 6.9 million acres are forested and that 90% of the forested lands is privately owned by approximately 130,000 landowners — keys to ensuring the sustainability of Maryland's forest resources into the 21st Century are the conservation of lands in private hands and ensuring the economic viability of the forest products industry which relies on these lands and landowners to provide employment and the multitude of fiber products needed by all.* The recommendations presented within this Interim Report — predicated upon testimony received by numerous stakeholder groups and expert witnesses during the last year — focus on two themes:



RECOMMENDATIONS DESIGNED TO ENCOURAGE RETENTION AND MANAGEMENT OF PRIVATELY-OWNED FOREST LANDS

RECOMMENDATIONS DESIGNED TO PROMOTE THE ECONOMIC VIABILITY OF MARYLAND'S FOREST PRODUCTS INDUSTRY

With respect to the first theme, the Interim Report recommends that (1) Maryland's Forest Service, Forestry Boards and the Maryland Cooperative Extension be given the financial resources necessary to advise private forest landowners on ways to better manage their forest lands; (2) Maryland's principal land conservation programs — Program Open Space, Agricultural Land Preservation Foundation and the Rural Legacy Program — be better coordinated to collectively conserve forested areas of the State most threatened by development pressure; (3) an inventory data base of Maryland's forest resources be developed every 5 years instead of every 12 years; (4) preferential tax treatment be afforded to those private forest landowners willing to implement forest conservation management plans; and (5) Maryland's primary and secondary education curricula ensure a concerted focus on the values, benefits and management of forests to Maryland's environment and economy.

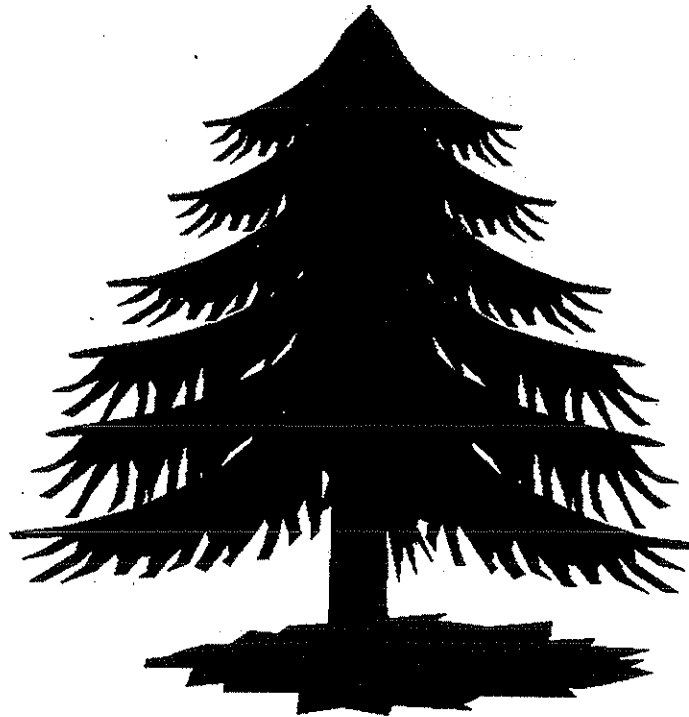
With respect to the second theme, the Interim Report recommends that (1) State financial assistance be rendered in helping Maryland's Forest Products Industry upgrade and modernize its manufacturing equipment in order to enhance operational efficiency and promote job retention/growth within Maryland's rural communities; (2) Maryland's Forest Products Utilization and Marketing Program — a program designed to help market Maryland's forest products — be created; and (3) a user guide be developed that facilitates an awareness of land use regulations which impact the management of privately-owned forest lands and the operations of Maryland's forest products industry.

The Maryland Forestry Task Force is hopeful its final recommendations — many of which will require statutory and budgetary action — will secure Executive and Legislative support. We look forward to helping guide Maryland's forest community into the 21st Century as envisioned by Governor Glendening.

Gary C. Allen

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State of Maryland

Executive Department

EXECUTIVE ORDER

01.01.1998.09

Maryland Forestry Task Force

- WHEREAS The State of Maryland contains 6.29 million acres of which 42 percent (2.7 million acres) are forested; ninety percent of these forested lands are privately owned by approximately 120,000 landowners;
- WHEREAS Promoting a healthy and abundant forest system is one of the most important legacies Marylanders can bestow upon future generations;
- WHEREAS Forests in Maryland have not only been conserved and protected by various public programs for which the State has received national acclaim, including Program Open Space, the Agricultural Land Preservation Program, and the Smart Growth and Rural Legacy Programs, but have also proliferated by virtue of the faithful stewardship and management exercised by forest landowners and the forest products industry through cooperative partnerships;
- WHEREAS The forest products industry is an important contributor to the State's overall economy and employment, and will play a key role in promoting the health, conservation and proper management of Maryland's privately-owned forested lands; and
- WHEREAS Advancing the preservation and management of Maryland's forests for future generations requires a comprehensive assessment of the issues impacting Maryland's forest landowners and the forest products industry today.
- NOW, THEREFORE, I, PARRIS N. GLENDENING, GOVERNOR OF THE STATE OF MARYLAND, BY VIRTUE OF THE AUTHORITY VESTED IN ME BY THE CONSTITUTION AND LAWS OF MARYLAND, HEREBY PROCLAIM THE FOLLOWING EXECUTIVE ORDER, EFFECTIVE IMMEDIATELY:
- A. Established. There is a Maryland Forestry Task Force.
 - B. Membership and Procedures.
 - (1) The Task Force shall consist of 11 members who shall be appointed by the Governor and serve at the pleasure of the Governor.

- (2) The Governor shall appoint the chairperson from among the members of the Task Force.
- (3) The members of the Task Force may not receive compensation for their services. Members may be reimbursed for their reasonable expenses incurred in the performance of their duties in accordance with standard travel regulations as provided in law.
- (4) The Departments of Agriculture, Environment and Natural Resources shall provide staff support and technical assistance to the Task Force.

C. Duties of the Task Force. The Maryland Forestry Task Force shall:

- (1) Undertake a comprehensive survey of the State's forest resources;
- (2) Examine and recommend ways to advance the conservation, protection and replenishment of privately-owned forested lands in the State;
- (3) Study the environmental impact of healthy and abundant forested lands on the State's ecosystem, including water quality and the protection of the watershed from harmful microorganisms;
- (4) Recommend methods to encourage the use of accepted forestry management practices on privately-owned forested lands;
- (5) Assess the financial impact associated with the annual contributions made to the State's economy by the forest products industry;
- (6) Examine and make recommendations regarding existing statutory and regulatory restrictions imposed upon private owners of forested lands and the forest products industry;
- (7) Examine the use of economic incentives to help forest landowners and businesses maintain their land for productive forest usage and impede the conversion of such land for residential, commercial or industrial development;
- (8) Recommend ways to strengthen Maryland's existing "right to practice forestry" policy; and
- (9) Enhance public awareness about the environmental and economic contributions made by forest landowners and the forest products industry through their stewardship and management of Maryland's forests.

D. Reports to the Governor

- (1) The Task Force shall forward an interim progress report by December 1, 1998.
- (2) The Task Force shall forward its final report by December 1, 1999.

NOTE: The Executive Order was signed by the Governor on February 24, 1998 and extended by the Governor until December 2000 via a letter to the Task Force Chairman (the Honorable Gary G. Allen) dated October 20, 1999.

MEMBERSHIP

The Honorable Gary G. Allen — Chair

Ms. Frances C. Cullen

Mr. Jeff A. Messenger

Mr. William R. Miles

Ernest L. Murphy, Ph.D.

Jodi R. O'Day, Esquire

Ms. Sylvia D. Whitworth

Mr. Robert E. Wolf

Maryland Forestry Task Force INTERIM REPORT

EXECUTIVE SUMMARY

A summary of the Task Force's interim recommendations are outlined below, consistent with the envisioned chapters to be incorporated in the final Report.

Overview

RECOMMENDATION 1: Develop financial incentives, enhance landowner outreach efforts by various stakeholders and pursue other strategies intended to realize forest conservation management plans on 75% of privately owned lands — lands deemed manageable and/or economically viable by the landowner — within the next 5 years. Other recommendations to be included in the Report will identify financial incentives, landowner outreach efforts and other strategies to help achieve the 75% goal

Chapter 1 Maryland's Threatened Forests

RECOMMENDATION 2: Adequately fund and implement an inventory data base of Maryland's forest resources that is updated every five years. Ideally, a strengthened partnership with the U.S. Forest Service can be realized. However, Maryland should not wait 12 + years for basic forestry data reflected in the Forest Inventory Analysis (FIA) developed by the U.S. Forest Service.

RECOMMENDATION 3: Provide financial incentives to private landowners to retain and manage their forested lands to help offset the desire to sell their land for development purposes.

RECOMMENDATION 4: Create a Targeted Priority Resource Initiative by an Interagency Workgroup — comprised of the Departments of Agriculture, Environment, Natural Resources, Office of Planning, University of Maryland [Maryland Cooperative Extension], Maryland Association of Counties and the Maryland Municipal League — to be reviewed and approved by the Governor and the General Assembly's Joint Subcommittee Committee on Program Open Space and Agricultural Land Preservation. Envisioned is an Initiative that would establish priorities governing annual distribution of monies allocated to Program Open Space, Agricultural Land Preservation Foundation and the Rural Legacy Program in a two-fold way: (1) concentrate significant funds in the aforementioned 10 counties where population growth and the attendant development threat are greatest in order to achieve appropriate Green Infrastructure linkages; and (2) utilize the funds for the promotion and conservation of riparian buffers, wildlife habitat, aesthetics, environmental and passive recreation within those counties bordering the Chesapeake Bay and its tributaries.

NOTE: State lawmakers appropriate millions of dollars annually to Maryland's 3 principal land preservation programs — Program Open Space, Agricultural Land Preservation Foundation and Rural Legacy Program. All three programs speak to different missions, but, they do share a commonality of protecting open space land — Maryland's coveted Green Infrastructure — from the development pressure exerted by an ever-expanding population. Noteworthy also is the fact the *Stream ReLeaf Plan* — Maryland's plan for achieving Governor Glendening's commitment to the Chesapeake Bay Program that Maryland will create 600 miles of riparian forested buffers by the year 2010 — speaks to the importance of targeting these programs to "protect high-priority resources."

Chapter 2

Public/Private Role in Sustainability

RECOMMENDATION 5: Develop, upgrade and/or modify forest conservation management plans on all appropriate public land holdings [manageable and/or economically viable] that approximate the 75% goal intended for privately owned forest lands — plans that speak to fish and wildlife habitat improvement, natural heritage, recreation and aesthetic, soil and water conservation and wood products.

RECOMMENDATION 6: Encourage future forest land acquisitions that come into the public domain to also be accompanied with the development of forest conservation management plans when deemed appropriate. Such plans will help ensure that sound forestry management practices will contribute to the maintenance, health and vitality of our forests.

RECOMMENDATION 7: Direct the Department of Budget and Management to meet and confer with the Maryland Cooperative Extension for the purpose of:

- Realizing a clearer understanding of the Extension's mission and accomplishments concerning its educational outreach efforts to Maryland's forest land owners, homeowners, etc.
- Enhancing the coordination between the Extension and other State entities responsible for effecting similar landowner outreach efforts.
- Developing alternative ways and means to strengthen the Extension's ability to more completely meet the needs for educational programs to forest land owners, homeowners, etc., consistent with its statutory mission. Areas worthy of additional educational efforts relating to natural resources and the environment include:

Forest Management
Wildlife Management
Natural Resources Information Systems

RECOMMENDATION 8: Provide (1) each Maryland Forest Conservancy District Board with a minimum \$2,000 annual State grant [conditioned on an equal \$1 for \$1 match from the respective boards]; (2) the Coverts Cooperator Program [University of Maryland — Maryland Cooperative Extension] with a minimum \$25,000 annual non-matching State grant; and (3) DNR with \$300,000 beginning in fiscal year 2002 for new foresters [in conjunction with DNR's responsibility attendant to Recommendation 5] and a minimum \$125,000 annual State appropriation to provide contract funds to professional forest consultants within the private sector. These monies would be utilized exclusively to help facilitate landowner outreach efforts designed to achieve a twin purpose — (1) adoption of forest conservation management plans on 75% of Maryland's privately owned forests [e.g. lands manageable and economically viable]; and/or (2) provision of professional forestry assistance to forest landowners even if they choose not to develop forest conservation management plans

Chapter 3 Incentives for Stewardship

RECOMMENDATION 9: Expand the Reforestation and Timber Stand Improvement Tax Deduction (TAXMOD) program to include opportunity costs associated with exceeding the normal regulatory requirements associated with the production of forest products. The envisioned change would allow landowners to partially recoup the value of timber foregone in the name of providing amenities to society from private lands. Specifically, the value of timber left in a buffer or a habitat protection area could be appraised by a forester and deducted by the landowner as a percentage for a period of time, not to exceed 15 years. The Task Force sees this benefit as a win-win situation since landowners would realize some financial relief from environmental regulations — via a State income tax break — and the public would benefit from private lands being kept in forest, albeit managed, rather than being converted to other uses.

RECOMMENDATION 10: Enact statewide, enabling legislation — patterned after Senate Bill 563 of 1998 for Dorchester County only — that authorizes all Maryland counties to grant a property tax credit up to 100% on: (1) agricultural land that is subject to a nutrient management plan or that is developing a nutrient management plan for implementation; or (2) forest land that is subject to a forest management plan or similar agreement. Every landowner that steps forward and adopts one of these plans helps define and bestow their own legacy to the future environmental health of Maryland.

RECOMMENDATION 11: Update Maryland's 1990 Report entitled, *A Guide to Maryland's Regulation of Forest Products Industry*. This effort should be coordinated between Maryland's Department of Natural Resources, appropriate institutions of higher education and the private sector. Envisioned benefits include an improved understanding of the current regulatory environment for forest landowners, including the forest products industry, and an enhanced means of ensuring regulatory compliance through a comprehensive "one stop" regulatory guide.

Chapter 4

Renewable Natural Resource Investment Priority

RECOMMENDATION 12: Create a Renewable Natural Resource Investment Priority within an existing State financial assistance program administered by the Department of Business and Economic Development and/or via a new and separate Program. In making this recommendation, the Task Force is mindful of the following:

- a legislative effort is underway — via the enactment of Senate Bill 134/House Bill 188 of 1999 which created the *Study Panel to Review Economic Development Funds* — to consolidate the existing 26 State financial assistance programs administered by DBED into one and/or several smaller funds.
- discussions between the Maryland Rural Forum and other organizations concerning the creation of a Natural Resource Industries Corporation patterned after the Maryland Economic Development Corporation.
- The Task Force will also present its findings/recommendations to the Maryland Economic Development Commission — the entity charged by Governor Glendening to advance the State's strategic plan for economic development — with hope of persuading the Commission to identify "forestry" as a defined "growth industry" for State financial support purposes.

RECOMMENDATION 13: Direct the Secretary of Maryland's Department of Natural Resources to re-institute Maryland's Forest Products Utilization and Marketing Program with appropriate staff resources in a timely manner.

Chapter 5

Maryland's Future Forest Legacy

RECOMMENDATION 14: Enhance primary and secondary education curricula development by Maryland's Department of Education — in cooperation with the Department of Natural Resources and other interested stakeholder groups — that focuses on the values, benefits and management of trees and forests to Maryland's ecology and economy.

RECOMMENDATION 15: Expand special interest publications and Internet resources by appropriate agencies within the Executive Branch of Maryland State Government in order to timely provide to appropriate stakeholders information on the following: (1) forest management; (2) habitat values; (3) owner's rights and responsibilities; (4) market information; (5) conservation opportunities; and (6) such planning tools, programmatic and research information as may be available.

RECOMMENDATION 16: Establish and provide funding to support a new 4-year urban forestry degree at the University of Maryland no later than fiscal year 2002.

RECOMMENDATION 17: Requests the Governor to send a letter of support to the National Research Council favoring its recommendation for the creation of a National Forest Research Council vested with national coordinating responsibilities attendant to the nation's forest resource needs.

RECOMMENDATION 18: Expand Maryland's Tree-Mendous Program to include formal recognition for Maryland's non-industrial private forest landowners. Such recognition should be afforded to those landowners whose stewardship contributions merit emulation throughout the State.

Chapter 6

The Forest Land/Urban Interface

RECOMMENDATION 19: Direct DNR to conduct a statewide prevention planning (risk, hazard, value) assessment that focuses on Maryland's interface/intermix areas utilizing Geographic Information Systems (GIS)/ArcView Technology. The results will be used to develop an ignition management planning model for the DNR Forest Service.

RECOMMENDATION 20: Direct DNR to initiate a Strategic Forest Land Assessment to identify those forest lands that are critical for their environmental as well as their economic benefits.

RECOMMENDATION 21: Initiate a round table discussion in Spring 2000 among representatives from the Maryland Association of Counties, the Maryland Municipal League, the State Firemen's Association, DNR's Forest Service and others to determine how wildfire suppression efforts can best be strengthened and coordination enhanced among all providers of fire and rescue services within the State of Maryland. The findings/recommendations stemming from the round table discussion should be reported to the Maryland General Assembly and to attendees at the 2001 summer meetings of MACO and MML, respectively.

Chapter 7 Managing for the Future

RECOMMENDATION 22: Transfer managerial responsibility for publicly-owned forests lands — lands that are manageable and/or economically viable — to DNR's Forest Service. This recommendation is consistent with and responsive to RECOMMENDATION 6. With this transfer, the Task Force further recommends that increased efforts be made to developing forest conservation management plans be developed on all those publicly-owned forest lands deemed appropriate for such plans.

RECOMMENDATION 23: Develop Memorandums of Understanding between Maryland's Departments of Agriculture, Environment and of Natural Resources in areas of mutual responsibility pertinent to natural resource land management and regulation. With the multitude of land preservation programs developed and coordinated by these agencies — Program Open Space, Agricultural Land Preservation Foundation, Rural Legacy Program, Conservation Resource Enhancement Program (CREP), etc. — a strengthened partnership will help ensure the continued conservation of Maryland's coveted natural resources into the 21st Century.

RECOMMENDATION 24: Appoint a forest community representative to the Board of Trustees of the Maryland Agricultural Land Preservation Foundation and authorize the forestry boards to comment on the criteria for approving individual applications under the Agricultural Land Preservation Foundation. These actions are consistent with and responsive to the intent of the law creating the Foundation.

