

**Adirondack Council • Adirondack Landowners Association • Adirondack Wild: Friends of the Forest Preserve
American Forest Foundation • Audubon New York • Business Council of New York State • Catskill Center
Catskill Mountainkeeper • Citizens Campaign for the Environment • The Conservation Fund • Earthjustice
Empire State Forest Products Association • Environmental Advocates of New York • Hardwood Federation
National Alliance of Forest Owners • National Association of Forest Owners • Natural Resources Defense Council
New York Forest Owners Association • New York Farm Bureau • Open Space Institute
PROTECT the Adirondacks • Sustainable Forestry Initiative, Inc. • The Nature Conservancy**

March 1, 2018

Hon. Carl Heastie, Speaker
New York State Assembly
Albany, NY 12248

Hon. Brian Kolb, Minority Leader
New York State Assembly
Albany, NY 12248

Hon. John Flanagan, Temporary President and Majority Leader
New York State Senate
Albany, NY 12247

Hon. Jeff Klein, Senate Coalition Leader and Independent Democratic Conference Leader
New York State Senate
Albany, NY 12247

Hon. Andrea Stewart-Cousins, Democratic Conference Leader
New York State Senate
Albany, NY 12247

Dear Legislative Leaders:

The undersigned organizations – a broad coalition working in support of New York’s forests, with national, regional, state-wide, and local organizations from the business, farm, environmental, energy, and land conservation sectors -- **urge you to ensure the SFY 2018-19 Budget advanced in the Assembly and Senate includes the Empire Forest for the Future Initiative (EFFI), and that the enacted budget includes this important program.**

We thank you for your demonstrated leadership and commitment to protecting New York’s environment. We are grateful for the historic level of investment provided through the 2017-2018 Enacted budget to protect and enhance our shared natural resources, including \$300 million for the Environmental Protection Fund, and the \$2.5 billion funding for drinking water and wastewater infrastructure projects. These critical programs, which enjoy strong, bipartisan support, are evidence that protecting the environment, investing in a robust economy, and ensuring peoples’ health and well-being are intertwined and universally valued priorities.

We now ask you to continue this bipartisan leadership on issues that create multiple benefits for people and nature by ensuring that the EFFI is enacted. The EFFI would create a program that incentivizes private forest landowners to reduce the conversion of forests to non-forest uses, and encourages sustainable forest management on privately owned lands for the benefit of the State’s people, economy, environment, communities and climate.

Key Elements of the Empire Forests for the Future Initiative

A. 9508-A / S. 7508-A TED Article VII, Part Z

- Fixes the property tax shift associated with the current Real Property Tax Law (RPTL) section 480-a where taxing jurisdictions are impacted.

- Creates a new RPTL section 480-b which would:
 - Decrease the required eligible acres from 50 acres to 25 acres (half of which would need to be forested) to be eligible for tax relief;
 - Expand the eligible types of undeveloped lands (e.g. steep slopes, water bodies, wetlands, etc.) to be included in the program;
 - Expand the range of forest management activities eligible for tax abatement under the new 480-b to include management for enhancing or preserving carbon sequestration, protecting water quality and quantity, and increasing wildlife habitat and conservation; and
 - Provide financial relief to those taxing jurisdictions significantly impacted by the new 480-b program.
- Creates two new grant programs within the Environmental Protection Fund to support private forest land stewardship and the creation of community forests;
- Creates a state procurement preference for New York wood products.

Benefits of the EFFI

EFFI offers New York many important benefits, which is why this unprecedented coalition is supporting its enactment in 2018.

New York can obtain significant carbon benefits through the EFFI.

The EFFI would provide important carbon storage benefits. Research by the Nature Conservancy calculated that forest land eligible for preservation support under a new RPTL 480-b could sequester up to 1.3 billion metric tons of carbon dioxide, the equivalent of the annual emissions of over half of the coal fired power plants in the nation. Of course, not all of these lands would immediately be put into stewardship under any scenario, but the same study found that assuming enrollment significantly increases with a new 480-b, the increased carbon sequestration would equal about **3.3 million tons of carbon dioxide per year** – the equivalent of the emissions of over 250,000 homes. This is a significant carbon benefit.

New York can show national leadership in state action to address climate change.

At a time when the federal government is not prioritizing addressing climate change, state leadership is critically important. Reforming New York's forest tax program would help establish a national model. Many, and likely most, states have some form of law to encourage the management and timbering of private forest land. Most have not been updated or reformed, and continue to focus on creating incentives for timbering. If New York reforms its forest tax program, other states will have another model as the nation works to use natural solutions to help mitigate climate change.

The over 200,000 New Yorkers with over ten acres of forest strongly support expanding the range of eligible management activities.

The current 480-a program is not working optimally. Participation is about 19 percent of our eligible acres, in contrast to our neighboring states. For example, New Hampshire and Vermont have over 50 percent of eligible acres enrolled in their programs. New York's low participation is likely due to the narrow range of management options.

New York is missing a tremendous opportunity to increase its participation through a broader 480-b program that encourages landowners to manage their forest lands for other reasons. Specifically, according to a recent survey of the over 680,000 forest landowners in New York, the top reasons for holding their land include beauty, wildlife, water, and recreation. Fewer than 25 percent list timber as a priority. At the same time, about 95 percent view taxes as their main concern, followed by invasive species, water, insects and climate change. Forest owners hope to leave a legacy for their families, and tax reform can help make this possible.

Seventy-five percent of New York's 19 million acres of forestland is privately owned, with 57% owned by family forest owners. Property taxes are one of the top concerns of family forest owners and influence their ownership and forest management decisions. Who are these New York family forest owners? 75 percent of family forest land owners that own greater than 10 acres have an annual income below \$100,000, and 72

percent used the woodland property as their primary residence. A majority are over 55 years old (67%). 90% expressed when surveyed that they want to keep their forest as forest.

New York can support and expand an important economic sector.

Maintaining forests as forest is good for New York's economy. New York's forest products produce a net economic benefit of over **\$22 billion** dollars and the sector employs over 100,000 New Yorkers with family supporting wages. Forest-related tourism and recreation alone contribute over **\$8 billion** per year to the New York economy supporting 32,000 jobs. Further supporting the strong interest of New Yorkers in preserving their forests for beauty and wildlife, wildlife-related recreation alone adds over **\$4 billion** annual to New York.

New York can protect water quality and quantity.

It is well established by the New York State Department of Environmental Conservation (DEC) that preserving watersheds is among the best ways to ensure high quality drinking water for New Yorkers. Forest lands comprise a substantial, and growing, portion of the acreage in our watersheds, which ensures a supply of safe, clean drinking water for about 15 million New Yorkers. Forest lands also act as sponges, retaining water that can then be slowly released, reducing the threats of drought and minimizing the devastating impacts of floods.

New York can fulfill its policy goals.

The 2010 DEC Forest Resource Assessment and Strategy provides as a key goal, "keeping forests as forests." With 75 percent, or 14.2 million acres, of New York forests in private hands, New York cannot accomplish this goal without greater participation by the private sector – primarily the hundreds of thousands of families who overwhelmingly want to keep "woods as woods." The EFFI will expand the incentive for maintaining forests as forests in accordance with landowners' preferences.

In sum, there is no bigger benefit, nor larger return on investment, for carbon sequestration, forest health, the protection of water quality and improvements to wildlife habitat and New York's forest economy, than an investment in New York's forests. The availability of forest resources for recreation, timber, carbon storage, and a host of additional ecosystem benefits are determined by management decisions made by these diverse owners. The EFFI provides a cost-effective way to addresses critical conservation needs through private land management while also supporting local economies.

Thank you again for your leadership on environmental issues. **We urge you to ensure the Empire Forests for the Future Initiative is part of the enacted budget for SFY 2018-19.**

Sincerely,

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Cc:

Members of the State Assembly
Members of the State Senate
Assembly Ways and Means Staff
Assembly Program and Counsel Staff
Senate Finance Staff
Senate Program and Counsel Staff