

2010
MARYLAND FORESTS
ASSOCIATION
LEGISLATIVE NOTEBOOK



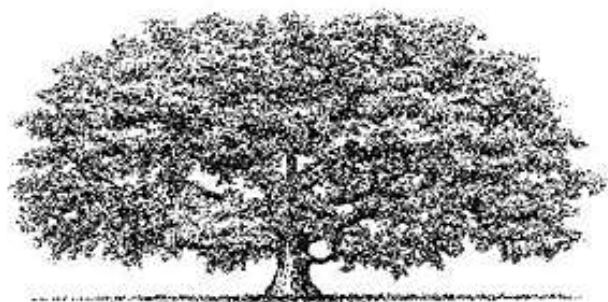
prepared as a service to the members
and staff of the 427th Session
of the Maryland General Assembly

on the web at <http://mdforests.org>

VISION STATEMENT

MFA envisions a future in which
vibrant forests are maintained
throughout the State, providing diverse
economic and environmental benefits to all

Maryland Forests Association, Inc.
P.O. Box 599
Grantsville, MD 21536
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The mission of Maryland Forests Association is to conserve and enhance forests in Maryland by:

- increasing awareness of the diverse, public benefits of forests;
- supporting the sustainable use of forest resources;
- promoting economic opportunity for forest landowners; and
- maintaining a viable local forest products industry.

2010 Legislative Notebook
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Maryland Forests Association, Inc.
Grantsville, Maryland
<http://mdforests.org>

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Further information about issues raised in this booklet and background information on forestry in Maryland can be found on the MFA website

<http://mdforests.org>

<http://mdforests.org/advocacy.html>

or by contacting MFA at
director@mdforests.org

PROBLEM: Keeping Forests in Forest.

We take our forests for granted!

Maryland is losing more than 6,000 acres of forest each year. Most of this loss is attributed to housing infrastructure.

Working forest landscapes provide ecological, economic, and social services to the people of Maryland by:

- Protecting **water** and **air** quality,
- Providing valuable **habitat** for wildlife
- Providing for a **\$ 2 billion sustainable** wood products industry,
- Providing an **economic resource** to the landowner
- Providing **aesthetic enjoyment** for all people.

The loss of forests represents a significant cost to the citizens of the State and reduces the value of our woodlands for the future. Some of the major issues threatening the continuity of well managed forests are:

1. Reduced State staffing and funding of the agencies responsible for protecting our forests and assisting landowners.
2. **Regulatory restrictions of landowners'** ability to sustainably manage, protect, harvest and market timber resources.
3. Shortage of dedicated financial programs to protect and conserve our forests.
4. A forest industry increasingly threatened by global competition.

MFA ENDORSED LEGISLATIVE STRATEGIES TO RETAIN WORKING FORESTS

Support the implementation of a Sustainable Forestry Act of 2009.

Provide Practical Incentives to Forest Landowners to Keep Their Land in Forest:

- Expand the financial incentives that encourage forest landowners to retain their lands;
- Provide state/local income tax credits to offset the costs of developing State-approved Forest Stewardship Plans;
- Grant reduction of State/local property taxes for forest lands subject to Forest Stewardship Plans;
- Expand the existing reforestation and timber stand improvement tax deduction program;
- Provide clean water quality credits that can be traded in the evolving renewable energy market (RECs – renewable energy credits);
- Promote "green building standards" that recognize wood from grown under the American Tree Farm System® and/or the Sustainable Forestry Initiative (SFI);
- Provide Income tax credits for the sale and/or donation of perpetual conservation easements on forest lands; and,
- Codify the proposed changes to the Best Management Practices for Forestry.

Reallocate State Funds to Strengthen Forest Landowner Assistance:

- Eliminate the \$200,000 funding cap on the Woodland Incentive Program (WIP) and earmark 100% of all forest-related agricultural transfer tax proceeds to WIP for reforestation, wildlife habitat enhancement, protection of soil and water quality, wetlands, streams, sustainable timber production, and the preparation of forest stewardship plans;

- Establish a non lapsing emergency forest health contingency fund for public and privately owned forests to control insect/disease infestations, invasive species, forest fires or other natural threats; and
- Re-direct State-side Program Open Space funding to the Maryland Park Service to relieve dependence on State forest timber sale revenue for operational, maintenance and other costs, thus freeing up this revenue stream for greater use by the Maryland Forest Service to support sustainable forestry.

Revise Existing State Laws and Regulations to Provide Greater Support to Maryland's Resource Based Industries

- Undertake third party certification for all State forest lands in order to assure an adequate supply of certified wood products to sustain Maryland's resource based industries;
- Encourage Maryland's agricultural boards to cooperate with Maryland's forestry boards in the allocation of MALPF funds for forest land conservation;
- Provide exemptions from State sales tax and personal business property tax on equipment and machinery used in the production and harvesting of forest products comparable to those available for agriculture;
- Ease existing regulations imposed upon ~~Maryland's forest products industry~~;
- Revise truck weight restrictions for forest products, agriculture and coal hauled in Maryland and work toward parity with neighboring states for forest products hauled in those states; and
- Clarify the language in Article 66b of the Maryland Annotated Code relative to treatment of working forests within county and municipal comprehensive plans.

KEY FACTS ABOUT MARYLAND'S FAMILY-OWNED FORESTLANDS

Total Forest - Maryland has 2.4 million acres of forest land covering almost 43% of the total land area.

Significant Acreage - About 75% of Maryland's forestlands are family owned covering more than 1.8 million acres.

Maryland's family forests are faced with several challenges that threaten to degrade the ecological, economic, and recreational value of the land. If these valuable forestlands vanish we all lose!

Many Owners - There are 130,600 family forest owners in Maryland. This includes 1155 certified Tree Farms® in Maryland, covering 162,969 acres.

Small Tracts - 75% of Maryland's 130,600 family forest owners, own tracts that are less than 10 acres in size, with an average tract size of just 17 acres.

Drinking Water Supply - Privately-owned forestlands supply more than 2/3 of Maryland's drinking water. Forestlands serve as a natural filter and reservoir for water, helping save billions of dollars in filtration and storm water control costs.

Clean Air - Trees remove carbon dioxide, sequester the carbon, and release life-giving oxygen. A healthy mature tree can absorb 13 pounds of carbon dioxide a year.

Ownership Objectives Are Diverse - Family forest owners often cite scenic beauty, wildlife enhancement, preservation, privacy, and family legacy as the primary reasons for owning land.

THE ECONOMIC IMPORTANCE OF THE FORESTRY AND WOOD PRODUCTS INDUSTRY OF MARYLAND

Maryland's forest industry highlights

- The forest products industry is divided into three major categories: Timber Harvest and Management; Primary Wood Manufacturing, and Secondary Wood Manufacturing.
- The forest products industry is comprised of about 1,200 businesses with more than 21,000 employees creating over \$3.37 billion in sales.
- The Primary and Secondary manufacturing sectors account for 10% of Maryland manufacturing businesses and 9% of its manufacturing workforce.
- The indirect contributions of the forest industry through its purchasing and hiring patterns add another 15,800 jobs and \$3.5 billion in economic activity.
- The total impact of the industry in Maryland measures about 37,000 jobs and almost \$7 billion in output.

Timber Harvest and Management:

- There are 147 Timber Harvest and Management companies in Maryland
 - Employing 901 people.
 - Generating \$154.4 million in sales.
- The top four sub sectors, by employment, account for 92 percent of THM businesses:
 - Logging,
 - Timber tract management,
 - Forestry services, and
 - Forest products such as forest nurseries.

A healthy forest products industry helps ensure a healthy and resilient Chesapeake Bay. Without healthy wood fiber markets, forest landowners would have more economic incentive to grow houses rather than trees! Since forests, as a land cover, are the best land use for producing clean, fresh water, any loss of forestland to other uses has a detrimental effect on Chesapeake Bay restoration efforts.

Primary Manufacturing in Maryland

- There are 368 Primary Manufacturing companies
 - Employing 5,822 people.
 - Generating \$693.6 million in sales.
- The top four sub sectors, by employment, account for 79 percent of the Primary Manufacturing businesses:
 - Millwork,
 - Paper Mills
 - Sawmills and planing mills, and
 - Hardwood dimension and flooring mills.

Secondary Manufacturing in Maryland

- There are 708 Secondary Manufacturing companies
 - Employing over 14,000 people.
 - Generating \$2.6 billion in sales.
- The top four sub sectors, by employment, account for 50 percent of the Secondary Manufacturing businesses:
 - Wood partitions and fixtures,
 - Sanitary paper products,
 - Corrugated and solid fiber boxes, and
 - Drapery hardware and window treatments.

The Port of Baltimore ranks #1 on the East Coast for forest products handling. 1,400,000 square feet of warehousing at their public terminals is devoted exclusively to forest products. The trade multipliers generated by the Port of Baltimore create significant benefits for the forest products industry and the Maryland economy at large. USDA trade multiplier models demonstrate that more than 16 jobs and \$2.35 million dollars in statewide output are created for every million dollars in wood products export value.

Volumes and Procurement

- Eastern Shore accounts for half of the Statewide sustainable harvest
- 80% of timber is procured from tracts less than 50 acres.
- Almost 40% of mills rely on tracts less than 10 acres for majority of their wood. Procurement radius of 50 to 60 miles, some regularly stretch out to 100 miles or more.

Source: USDA, Economic Research Service, 2007 Trade Multiplier.

All About MFA.....

Who We Are ~ What We Do



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The purpose of MFA

To promote the maintenance of a healthy and productive forest land base so as to enhance the economic, environmental, and social well-being of all who live in the State.

MFA strives to accomplish its mission by:

- Fostering dialogue with members, educators, legislators, regulators, media, students, environmental organizations, and others about **Maryland's forest resources and forest issues.**
- Monitoring and influencing legislation and regulation that affect forests and the forestry community.
- Building alliances with other associations, agencies or entities.
- Promoting growth in MFA membership and finances.
- Recognizing recipients for outstanding **contributions on behalf of Maryland's forest resources.**

Structure and Organization

MFA is a nonprofit 501(c)(3) organization, chartered in 1976, whose membership includes individuals and companies from throughout Maryland and the tri-state area. Our members are dedicated to promoting the maintenance of a healthy and productive forest land base. They want to see **Forests Forever** in Maryland to enhance the economic, environmental and social well-being of all.

Membership

MFA's members come from a wide variety of backgrounds and professions. Nearly 60 percent of our membership is composed of individual members, with the remaining 40 percent of members being businesses, hunt clubs, recreational groups, allied agencies and organizations.

Forest landowners and natural resources professionals comprise the two largest individual categories. Many of our forest landowner members are **Maryland Tree Farmers**®. **Natural resource** professionals include consulting foresters, industrial foresters, state employees, educators, wildlife biologists, forest ecologists, and hydrologists. Another section of our membership is that of Hunt Clubs and Recreational Groups. These range from small family run programs to larger clubs with dozens of members.

Our business members include both small logging and equipment businesses that have been family owned and operated for generations, and larger sawmill companies and forest products corporations that are the backbone of the forest products industry in Maryland. These companies and their employees are dedicated to assuring the supply of needed forest products while working to protect the environment and sustain the forest resource.

Leadership

MFA is led by a volunteer Board elected by the membership, with Executive Leadership elected by the Board. An Executive Director serves as the only paid staff to the Board and membership.

Finances

MFA receives no operating grants or subsidies. Member dues, donations and activity fees financially **ensures MFA's future. These funds support the various** informational and educational programs that MFA offers. Thousands of volunteer hours are given annually **by MFA's members to guarantee the success of these** programs.

Working for the entire forest community

Since 1976, MFA has sought opportunities and participated in efforts to assure positive outcomes for *several issues of concern to its membership and the* forest community at large. In addition to endorsing the **Safety Group Insurance Program** underwritten by Bituminous Insurance Company, and the **Hunting Lease Liability Insurance Program** through Davis-Garvin Agency, Inc., MFA has been active in:

- working to provide incentives and eliminate disincentives for forest landowners to keep their land in forest.
- assuring that landowners have the right to choose forest management strategies that will meet their own objectives, including the sale of forest product.
- streamlining the forest harvesting permitting process.
- supporting effective forest and forestry informational and educational programs for children, youth, and the public at large
- promoting professional development.
- building an effective network of partnerships and affiliations with other organizations both within and outside the forest community.

"For a grassroots organization with a shoestring budget, MFA consistently accomplishes amazing things. It is a testimony to the dedication of our volunteers and support of our members."

~ Karin E. Miller
MFA Executive Director

~ MFA Goals and Accomplishments for 2009 ~

GOAL: To serve as an advocate for forest landowners, forestry professionals, and forest industry in all areas relating to forests and forestry.

- Hosted the annual Forests & Forestry Legislative Reception in Annapolis, co-sponsored by the following forestry and conservation partner organizations:

Allegany College of MD

American Forest and Paper Association

Community Woodlands Alliance

Forest Resources Association

Harry R. Hughes Center for Agro-Ecology

MALPF

MARBIDCO

MD Association of Forest Conservancy District Boards

Maryland Big Tree Program

Maryland Forests Association

MD Tree Farm System

MD/DE Master Logger Program

MD/DE Society of American Foresters

NewPage Corporation, Luke Mill

Partnership for Sustainable Forestry

Rural MD Council

The Conservation Fund

The Nature Conservancy

University of Maryland Cooperative Extension

- MFA officers, Board members, and members serve on Rural Legacy Advisory Committee, MALPF Board of Trustees, MARBIDCO Board of Directors, Agro-Ecology Center Board, NRCS EQIP State Technical Committee,, the Governor's Commission on Agriculture, and numerous county forestry boards.
- MFA continues to provide MFA members insurance at very competitive rates for forest products operators, hunt clubs and forest landowners. The Safety Group Insurance Program for forest products operators, Hunting Lease Liability Insurance Program for hunt clubs and Timberland Liability for forest landowners are available to our members.

GOAL: To promote professional development for foresters, loggers, truckers, and others in the forest products industry.

- MFA's Annual Meetings consistently serves as a source of continuing education credits for professional foresters and loggers..

~ MFA Goals and Accomplishments for 2009 ~

GOAL: To effectively communicate to the public information about forests and forestry issues in Maryland, and inform members and non-members of Association action.

- THE CROSSCUT, MFA's official newsletter, is published bimonthly containing articles about MFA's activities and news from around the state and nation affecting the forest community. Complimentary copies are also sent to all legislators, government officials and department heads.
- MFA maintained a listserve to our members during Session to inform them of issues of concern to the forest community.
- <http://mdforests.blogspot.com/> allows MFA to post and archive news items and announcements for our members and is accessible to non-members as well.

GOAL: To support effective informational and educational programs on forestry for members, youths and the public at large.

- Sponsor for the Natural Resource Careers Week Conference at Hickory for high school students.
- Sponsor for Project Learning Tree workshops at Frostburg State University for education majors.
- Sponsor for the Maryland Envirothon competition.
- Sponsor for Thomas Tyler Excellence in Forestry Scholarship at Allegany College of Maryland. This year's recipient is Melissa Stevens, a second year student from Cumberland, MD. The scholarship is awarded solely on merit to a full-time student enrolled in the forest technology curriculum or the forestry transfer curriculum of the Allegany College of Maryland.

GOAL: To recognize those who have personally promoted sound forest management and conservation through their efforts .

- Furman Forest Services, LLC of Frostburg MFA's 2009 Logger of the Year. The Furmans are well known for their high standards, their drive for innovation, and their dedication to getting the job done right.
- Awarded Francis Zumbrun the Lifetime of Service Award for his steadfast commitment to promoting the guiding principals of forest conservation and stewardship through his efforts for MFA and during his years as a forester with the MD DNR.

Contact information for 2010 Board of Governors

Members are represented by a volunteer Board of Governors. Board members are elected to alternating 3-year terms. Officers are elected annually from within the Board and are available for your questions and comments:

MFA EXECUTIVE LEADERSHIP

President Bob Eaton

(301)705-5843 / bob.eaton@suntrust.com

First Vice President John Jastrzembski

(301)784-5309 / jjastrzembski@allegany.edu

Immediate Past President John Foster

(302) 378-9893 / jfoster34@verizon.net

Treasurer Richard Stanfield

(410)922-5959 / dick@edrichlum.net

Program Chairs ~ appointed annual by the Board
Education and Outreach

Brian Knox - forests@earthlink.net

Membership

Gene McCandless - genem@seco1.com

Policy

Pete Miller - phm4@newpagecorp.com



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Staff

Karin E. Miller, Executive Director
director@mdforests.org

MFA Board Roster for 2010

Central Region

- Chris Holmgren / Montgomery County / Secondary FPI / term ends 2012
- Mel Noland / Baltimore County / Forest Landowner / term ends 2011
- Tim Smith / Harford County / Forest Industry / term ends 2011
- Dick Stanfield / Baltimore County / Forest Industry / term ends 2010

Eastern Region

- Robert Hess / Somerset County / Forest Landowner / term ends 2012
- Kirk Rodgers / Dorchester County / Forest Landowner / term ends 2011
- Bob Tjaden / ~~Queen Anne's~~ County / Forester - U of MD / term ends 2010
- Tom Wieland / Wicomico County / Forest Industry / term ends 2012

Southern Region

- Joan Hill Bearden / Charles County / Business Community / term ends 2011
- ~~John Colton / St. Mary's County / Forest~~ Landowner / term ends 2012
- Bob Eaton / Charles County/Forest Landowner / term ends 2011
- Chris Holmes / Anne Arundel County / Retired USFS / term ends 2010
- Brian Knox / Anne Arundel County / Consultant Forester / term ends 2010
- Gene McCandless / Charles County./ Business Community / term ends 2011
- Steve McHenry / Anne Arundel County / MARBIDCO / term ends 2012

Western Region

- John Jastrzembski / Allegany County y/ ACM Forestry / term ends 2011
- Donnelle Keech / Allegany County / Ecologist —TNC / term ends 2010
- Pete Miller / Garrett County / Forest Industry / term ends 2012
- Bob Shives / Washington County / Forest Landowner / term ends 2010

Did you know.....



- Maryland's open space is kept green, the water cleaned, the air purified and wildlife habitat enhanced by a healthy forest products industry.
- The forest industry is the fifth largest industry in the State. Maryland's forests supply wood for homes, furniture and paper products. Today more acres are producing wood fiber than 100 years ago.
- Each person in the U.S. uses the equivalent of a 100-foot tall tree each year for wood and paper needs.
- One acre of healthy, growing forest absorbs six tons of carbon dioxide and produces four tons of oxygen. This is enough to meet the annual needs of eighteen people. -- but when trees begin to decay, this process is reversed.
- Tree loss has a financial cost. Tree loss in the Baltimore-Washington region since 1973 has resulted in a 19% increase in stormwater runoff (540 million cubic feet) at a cost of \$1.08 billion
- Maryland's location in the humid east provides it with an abundant supply of water. Precipitation is intercepted and infiltrated into the soil by the forests across 42 percent of the State.
- Unfiltered surface runoff, however, may transport a variety of pollutants directly into open waters. But -- a forest buffer adjacent to a stream can serve as a natural filter and remove many pollutants.