

Forest Roundtable

Convened by Vermont Natural Resources Council

Tuesday, September 21, 2010—9:00 AM to 3:00 PM

Three Stallion Inn, Randolph, Vermont

Attendees: Hervery Scudder, Lynn Levine, Thom McEvoy, Ken Gagnon, Peter Upton, Allan Thompson, Put Blodgett, Stacy Brown, Randy Viens, Carl Powden, Walter Medwid, Susan Hindinger, Jared Nunery, Melissa Reichert, Alan Turner, Leon Whitcomb, Ann Ingerson, Paul Costello, John Roe, Lisa Sausville, Jamey Fidel, Nina Otter (notetaker)

Agenda:

Welcomes: Go-around introductions

General Update: Jamey went over the agenda and updated the group that the Gubernatorial Candidates were invited to today's Roundtable. Peter Shumlin responded saying he did not have enough notice to make this meeting but would like to join a future meeting. Brian Dubie's office did not respond.

Current Use: Update and Discussion on the Reformation of the Current Use Tax Coalition

Jamey Fidel: At the last Roundtable meeting we debriefed the Legislative Session and reviewed the Governor's veto of H. 485. At the end of the last meeting we decided the Roundtable should work together to address potential changes to the UVA Program during 2011 Legislative Session. We don't want a lot of the difficult conversations we had last year with a tight budget. There is, however, another looming deficit and the Program will be looked at again to find savings.

Put Blodgett: Update on the "chaos" from last year. The Vermont House proposed a moratorium on new enrollments to find part of the savings. The Senate did not like moratorium and proposed a \$128.00/parcel fee to raise revenue. In addition, the Land Use Change Tax (LUCT) went up 10% of the value of the parcel being developed, and the property transfer tax was supposed to go back to the historical rate for land enrolled in Current Use to pay for electronic administration. H. 485 was vetoed by Governor Douglas and the Vermont Legislature did not reconvene to attempt to override the veto.

Now, want to revive the **Current Use Tax Coalition** that will educate and advise citizens and Legislators about Current Use facts—economic, landscape, industry, recreation, etc. The Coalition Two meetings have been held so far with 20 organizations that have participated. October 1st is another meeting to create bylaws and work on organization structure.

Carl Powden: How is this Coalition going to make decision?

Put Blodgett: It will be mostly around education. If it comes to specific decisions, it will probably be on a voting majority. The basic idea is to unify around the importance of Current Use and to educate the public.

Alan Turner: This is going to be a sensitive issue in terms of taking a position. All Coalition members did not agree with every position of the Coalition in the past. The details of where to draw the line are yet to be determined. There will be some healthy discussions around that.

Walter Medwid: Narrow window between today and the election. Points out opportunity. The power of the collective voice is perhaps enhanced during the election season. We should look to see if there is a way to involve candidates with Current Use and the issues of the Roundtable. Can we have a special meeting that will involve candidates before the election?

Jamey Fidel: That is something we will try to do. The Roundtable's role is a clearing-house for forest related issues around the state. The Coalition is more of an advocacy group. What is the role of the Roundtable vs. the Coalition?

Put Blodgett: Coalition and Roundtable could cooperate on trying to get the politicians to advocate for Current Use. The main point to convey is the importance of the Current Use Program.

Alan Turner: I think both Candidates will support the program. To find where the more specific differences are is the challenge.

Lynn Levine: I have talked to Shumlin who is a clear supporter of the change in the LUCT.

Jamey Fidel: Neither Candidate may be specific about which program cuts they want to make. The budget, however, needs to be balanced and it is safe to say that all programs will likely be examined.

Jamey offered a proposal to the Roundtable on Current Use. Wants to look at what all Roundtable stakeholders agreed on from H. 485: electronic administration, increase in property transfer tax, study group, etc. Where are the savings in the Current Use Program from H.485 that the Roundtable can use as a starting point to make changes to help the legislature balance the next budget?

Put Blodgett: Legislature is quick to raise fee on landowners.

Carl Powden: No one is looking at the municipal tax or the reimbursement as one area to find additional revenue.

Allan Turner: We need a proactive approach.

Carl Powden: Use public forums (city/town meetings) around the state on a daily basis to inform the public about Current Use. Be proactive.

Alan Turner: We know what the issues are that are being scrutinized. We can go right to the chase and specifically address those points to Legislature.

Randy Viens: The Legislature likes to see us come with specifics about ways to meet the budget.

Alan Turner: We should approach the Legislature and suggest, "If you want \$1.6M in revenue, you can raise taxes on a smaller number of people enrolled in the Program, or tax a larger number of people through a broader tax.

Jamey Fidel: The increase in the LUCT affected those folks who wanted to get out of the program and develop. H.485 only looked at impacting people actually leaving the Program, it did not affect those enrolled. Raising taxes on a broader number of people is a difficult political reality.

Alan Turner: This should be the back up. First make the case that Current Use evens the playing field for working landscape landowners—not a benefit program.

Jamey Fidel: We tried the purist approach for the past two years and it hasn't worked.

Alan Turner: The problem was that there were a small number of people advocating this position. Reestablishing the Tax Coalition will bring greater power. This is a long-term message. First make statement that it is NOT fair that working forests and farmers would have to pay the normal tax value.

For example: let's raise taxes on the wealthy landowners. Why not tax all the wealthy. This spreads it out to the people who are causing the cost—wealthy homeowners.

Lynn Levine: We are talking about the LUCT tax, not all landowners. The tax raise is geared to those who want to pull out and develop.

Alan Turner: The LUCT has the potential to affect everyone. Current Use was never designed to stop development.

Jamey Fidel: If you put a one-time fee on everyone in the program, there is a liability for landowners' enrolled in the Program because the fee could be back any other year. Anyway you cut it, the solutions that are on the table, regardless of who sponsored them, affects landowners enrolled in the program. We could probably get lawmakers to make the statements Alan Turner would like them to make regarding the fact that increasing taxes on enrollees is not fair, but the harsh reality is that in these tough budget time, the savings need to be found.

Alan Turner: There is a feeling in the Legislature that Current Use is a benefit Program. Need to change the attitude that this NOT a benefit program, it is a fair taxation program.

Ann Ingerson: Coalition should have broad membership—include folks other than landowners to help with the education of the importance of Current Use.

Alan Turner: Yes, land users are also members of the study committee.

Ann Ingerson: What about Chamber of Commerce, really going that broad.

Ken Gagnon: This discussion really has to go back to the education part because Legislators no longer understand the program for what it is. We are on a slippery slope, but we are on it, and the deficit is large enough that Current Use needs to be examined.

Allan Thompson: Education is part of it, but another part is the study committee, which could be a huge part of the follow-through.

Jamey Fidel: We are gelling around the idea that Current Use is important. We should dedicate time at the next meeting to hone in on the policy options for moving ahead.

Leon Whitcomb: There are landowners parking their land in Current Use until they are ready to break it up and develop.

Ken Gagne: In the Champlain Valley, there are dairy farmers who need the money and therefore withdrawing their land.

Jamey Fidel: There may be instances where folks need to take their land out for a financial emergency, etc. Perhaps there are ways to provide more flexibility in terms of the LUCT, i.e. hardship provision. Let's revisit this and other options at the next meeting.

Biomass Energy Development: Update and Discussion on Working Group, Biomass Forums, Biomass Projects, etc

Jamey Fidel: Jamey gave an update on the draft interim report of the Biomass Energy Development (Bio E) Working Group. The report is almost complete.

The Bio E working group forest health subcommittee is examining what voluntary harvesting guidelines and model procurement standards may look like.

The Biomass Development subcommittee is assessing new biomass development opportunities, scale, etc.

The modeling subcommittee is assessing how much wood is available. A new model will likely show that there is less available wood for new biomass projects.

VNRC and other organizations put together three biomass forums for the public to provide input, hopes, concerns, etc. (Forum notes were passed out). Public gave feedback to the issues in a presentation. Notes provide unedited input from the participants.

Jared Nunery: Curious about third party certification. Are there standards for procurement?

Jamey Fidel: There was just a Master Logger Program discussion on this topic. The Bio-E group may not recommend third party certification as a requirement.

Ann Ingerson: Biomass procurement guidelines from Forest Guild are out there as a template.

Jamey Fidel: There are templates available, how they are applied is the challenge.

Ken Gagnon: I attended the Master Logger meeting with a well attended group—Jonathan Wood, etc. Trying to figure out how to address the concerns of the public at large. The Master Logger Program out of Maine has certification for loggers. \$3,800 fee for application for an extensive review with an annual fee on top. That would be setting a high standard that is expensive. Ken's take was that each facility needs to determine whether they need certification? How you communicate where and how the wood is procured?

Thom McEvoy: As part of this process you just have to adhere to 9 principles.

Ken Gagnon: I buy certified wood from the FSC program. The pool of where I buy it is currently small. Those who are certified let you know that the wood is FSC certified.

Allan Thompson: What is the value of a logger coming to you with the Master Logger certification?

Ken Gagnon: The economic value is low.

Lynn Levine: I have a project where the landowners are paying a lot more to ensure that the wood is FSC certified.

Jared Nunery: The certification programs have different levels of integrity. If VT is looking for a standard, we need to assess what level of integrity is appropriate?

Jamey Fidel: Can the Randolph project work if the wood is FSC certified? Is there enough low-grade, certified wood?

Ann Ingerson: RPS and carbon standards are going to determine the amount of certified wood on the market. Maybe the electric companies will pay for certification because they need the wood to be certified based on those policies.

Alan Turner: The amount of certified wood available depends on the level of the standards of the certification. If the wood is in Current Use, maybe it could be certified.

Ken Gagnon: Current Use has a standard in and of itself.

Jared Nunery: Who is going to pay for the certification? This is a hurdle.

Ken Gagnon: If the users of the biomass are going to pay, then that would take care of the cost problem.

Thom McEvoy: Under a certification process, the truck company transporting the wood would have to prove that the wood came from a single source that has been certified. There is a chain including the logger, the carrier, and then the distributor.

Lynn Levine: Allan Lumber can have a certain percentage of wood that is not certified wood and still call it FSC certified.

Thom McEvoy: The user of the wood should be responsible for ensuring that the wood has been sustainably harvested and processed.

Jamey Fidel: Let's talk about efficiency as an issue. Heat vs. electricity. We cannot do electricity at 50% efficiency, which is a standard in one of our incentive programs.

Hervey Scudder: East Haven has a proposed plant to make pellets and electricity. Need to look at thermal before electricity. Way more efficient. If electricity is a by-product than it should be used. We need to meet our own energy needs, that is thermal.

Ann Ingerson: There is an efficiency standard in MA that have tiered levels of standards based on efficiency.

Jamey Fidel: It is hard to have procurement standard in VT if there is not a regional standard. Too easy to buy across the boarder. Is there a regional discussion happening on this issue?

Stacy Brown: Groups involved in RGGI are talking about procurement standards. They were waiting for national Cap and Trade, but now as biomass is becoming more of an issue, the region is looking to create standards.

Jamey Fidel: Are there other discussions for standards in other states?

Alan Turner: There are examples of companies who ship wood to NH to avoid paperwork required by other states.

Jamey Fidel: For the foresters in the room, would you follow volunteer harvesting guidelines?

Lynn Levine and Allan Thompson: Depends on the cost.

Thom McEvoy: Our forests have been abused and damaged.

Ann Ingerson: Restoration is required before standards can be applied.

Carl Powden: Certification should be based on where the land is headed, not the abuses of the past.

Susan Hindinger: Process: How does the certification of a logger play into a standard of the whole product?

Lynn Levine: 30% of timber sales do not include a forester, just a logger. Does not necessarily play into the long-term health of the forest.

Jamey Fidel: Northern Woodlands magazine has a good biomass article available on the web.

Ann Ingerson: National: EPA has put out tailoring rule about how they will regulate GHG emissions.

Hervey Scudder: MA has also released a 30-page report about how to use forests for GHG reduction proposed.

Jamey Fidel: Any other discussions happening around the region?

Ann Ingerson: NH and ME are waiting to see how the conversations conclude in MA.

Allan Thompson: We should look at Quebec too.

Jamey Fidel: I have heard Quebec is creating standards for biomass.

Jamey Fidel: Next steps: Look at Bio-E group report. Send further information to Jamey to spread to the Roundtable group.

Climate Collaborative: Update on Forest Policy/ Initiatives

Jamey Fidel: The Governor's Commission on Climate Change included several important forest policies, including reducing the rate of forestland conversion by 50% by the year 2028.

Sandy Wilmot has been invited to the next Roundtable meeting to talk about climate change and forest policy.

Jamey Fidel passed out notes from Agriculture, Forestry, and Waste Working Group of the Climate Collaborative. They are looking at biochar to enhance carbon storage. Grant opportunities. Group is focused on research currently, and not a lot of policy.

Roundtable Member Updates

Paul Costello: Vermont Council on Rural Development has looked at models of working landscape policy across the world and throughout history. Long list. It is time in VT to look where the working landscape is going. Potential opportunities to look for bold action. There is an upcoming conference on December 10th. Council interviewed 4,000 Vermonters to talk about fundamental issues in Vermont. Found that the working landscape is a part of Vermont's identity. Time to raise a flag around the importance of this identity. Hoping that organizations will sign on to proactive positions at the conference.

Put Blodgett: VWA looking at publishing a monthly newsletter that explains current issues to educate the public.

Lisa Sausville: Dead Creek Wildlife Day—opportunity for display. 800-1500 folks come through.

Ken Gagnon: Vermont Fine Furniture workshop on Sunday October 3.

Lynn Levine: Published book "Snow Secrets" about two girls getting lost in the woods and applying tracking skills they learned from an Abenaki women.

Jamey: VNRC and REV are hosting a Gubernatorial Debate at 3:30 on October 1st. VNRC has finished a report reviewing all town plans and zoning bylaws regarding wildlife habitat

conservation. The report shows communities want to conserve habitat but zoning bylaws are not written specifically enough to ensure its protection. Also, project with Deb Brighton that tracks subdivision trends in Vermont over an 8-year period. Will be able to go to webpage and inquire about trends specific to your town.

Melissa Reichart: The Green Mountain National Forest just released a plan for the designation of remote backcountry areas that were remnants from the wilderness bill. The Natural Turnpike project is coming out for bid within the next year.

Landowner Summit: Update and Planning Discussion on passing forestland down generationally.

(Initial planning sheet passed out)

Lisa Sausville: Looking for Roundtable to inform Summit planning. Want summit to be informative to landowners to prepare for their land to be passed down intact.

Name: **Keeping Forests for the Future. Planning for Woodlands in Your Estate.**

Timeline: Grant dependent.

Date: Late April. One-day event.

Location: Location still needs to be confirmed. Need a large room for Keynote presentation.

Two panels in the morning: 1) Diverse landowners telling success stories. 2) Expert panel discussing options. Afternoon breakout sessions that build off morning session.

Attendance: 100+ people

Advertising: Ad in Northern Woodlands. Roundtable organization listserves. Press-releases. County Foresters contacting particular landowners.

Lisa: Suggestions?

Alan Turner: High School during spring break as possible location?

Ann Ingerson: Have a panelist whose children are not interested in owning the land. What if there are three children, how do you pass it on equally?

Lynn Levine: Change "Estate" in the name, could turn off folks who don't think they have an estate—indicates a certain level of wealth.

Lisa Sausville: Want participants to come out with a check list of what they can do and how to do it. For breakout sessions: Defining terms, getting your family on board, estate planning for resource professionals (maybe not appropriate), etc.

Put Blodgett: Emphasis on following through is key.

Lisa Sausville: Part of grant has the plan to do a pre and post survey with participants. The post would be six months after the summit.

Put Blodgett: Need to energize follow-through above and beyond the survey.

Alan Turner: Have a point person/resource that landowner/participants could call up afterward for support.

Ann Ingerson: Create a list for every topic presented for support—lawyers, experts, land trust.

John Roe: There are point people in each region from the Vermont Land Trust to contact. Once you get out of the easement realm, the resources aren't there. Suggests having a conversation on developing a **family trust**.

Jamey Fidel: Thom has a list of a dozen attorneys and estate planners.

Ann Ingerson: Make sure experts are geographically diverse.

Lynn Levine: Set up structure to create support group in region. Have regional groups or have and land trust experts facilitate informal, informed conversations.

Jamey Fidel: This first summit is a pilot, so we need to be aware of the limitations of the grant, but this is great for gleaning ideas for future work.

John Roe: For follow-up, plan a "house-party" evening follow up by region. VLT would happily continue the conversation and convene these sessions. Invite VLT, lawyers, and estate planners too.

Ann Ingerson: Invite smaller land trust organizations that need to be brought up to speed on planning.

Jamey Fidel: The grant is to educate landowners; however, there are a lot of professionals, foresters, etc that we want to invite. We may need to raise additional funds to increase the scope of the summit.

Susan Hindinger: Should we be targeting landowners with 200 acres or more for invites?

John Roe: We should target the smaller landowners that don't have planning on their radar 50-300 acres.

Lynn Levine: Follow-through support more important than conference. Make sure resource list include successful landowners who have a plan in place regionally.

Ann Ingerson: "Preserving Family Lands" by Steve Small book that talks about number crunching—could be a good resource.

Lisa Sausville: Also Peter Smallridge's "Your Land, Your Legacy" and webinars through Cornell University are also good resources.

Walter Medwid: Have keynote speaker do VPR or VPT interview to get the word out about planning.

Jamey Fidel: Keynote speaker possibilities?

John Roe: Darby Bradley?

Ann Ingerson: Need an inspirational speaker that speaks to the multitude of options for passing land. No one right way or answer.

Susan Hindinger: Challenge, maybe some folks don't think they have enough land to require a plan.

John Roe: Fifty acres and more makes it worthwhile for VLT and the landowner to cover most of the conservation costs.

Walter Medwid: Tom Smith from VT Community Foundation as possible speaker. Generic planning.

Alan Turner: Include an invitation in with the Current Use Tax Coalition mailing. Include a donation appeal, or postage cost donation for Coalition. Need to provide a trial run opportunity for landowners and experts to make sure the right questions are being addressed.

Lisa Sausville: Also send out email survey through monthly email news questioning landowners about planning.

Ann Ingerson: Rebecca Purdum—Professor at VT Law School with a great personality.

Allan Thompson: Expanding the focus to older folks who want to sell/subdivide their land, this can help them sell it responsibly.

Jamey Fidel: Thanks group for a great conversation, good input. T. We will talk more about this.

Wrap Up and Next Steps

Jamey: For next meeting we will have Colleen Madrid, new GMNF Forest Supervisor, Sandy Wilmot, Bio E Report, and Current Use, since legislative session is coming up.

Next meeting: Early December.