

**Committee for Family Forestlands (CFF) Annual Report**  
July 28, 2011

Report presented by Craig W. Shinn, Chair of CFF, on behalf of the Committee

The Committee for Family Forestlands is pleased to provide a report of its activities over the past year (July 2010 – June 2011). This year's report outlines accomplishments of the Committee for Family Forestlands (CFF) and discusses progress made on a forward-looking agenda to address key issues for family forestlands. The Committee has continued to monitor the department's budget situation and its implications for family forestland owners. The CFF chair will be available at the Board meeting to discuss emerging policy issues and recommendations developed by the Committee.

The CFF, a standing committee of the Oregon Board of Forestry, provides advice to the Board of Forestry and the State Forester on matters relating to Family Forestlands, including the formulation of family forestland policy and the evaluation of the effects that changes in forest policy have or will have on family forestland owners. The Committee also provides guidance on the Department of Forestry's strategies and actions to improve services to family forestlands and their owners and provides an avenue to raise public awareness of the role that family forestlands play in maintaining a healthy forest environment, economically, socially and ecologically. In giving advice to the Board and State Forester, we are mindful of and strive to be consistent with the objectives of the Forestry Program for Oregon and the Oregon Indicators of Sustainable Forest Management.

Throughout the 2010-2011 work year, the CFF was impressed by the support it received from, and access it was granted to, ODF staff, State Forester Doug Decker, and members of the Board of Forestry. The Committee is gratified that its work is important to the Board and the Department and is mindful of the responsibility inherent in that respect as it goes about its work.

**WORK PLAN FOR 2010-2011**

The work plan for 2010-2011 focused on the following issues, which were prioritized into three tiers of importance in terms of their potential effect on family forestlands. This section reports our interest in these issues:

**Tier 1 Issues**

- Budget and Finance. Budget and finance for both the Department of Forestry and for family forestland owners remains a high priority. The CFF is extremely concerned that service declines characterized by an underfunded budget create a disincentive to own and manage private forestlands in Oregon and serve as an indicator that Oregon

state government is no longer willing to uphold its share of the responsibility for maintaining sustainable forests.

- Reliability of ODF services to family forestland owners: ODF's Private Forests Program budget in the 2009-11 biennium represented a significant reduction and change in services to family forestland owners. Going forward, ODF will be able to restore some services, but Private Forests' continued dependence on general fund dollars and landowner contributions threatens the program's ability to rebuild expertise and maintain constructive contact with small forest owners. The CFF expects that much of its focus in the coming year will again be on budget matters and on helping both the Department and landowners find more reliable ways to deliver needed services.
- Increased carrying costs for family forestland owners: The Department's budget also affects carrying costs for family forestland owners. The uncertainties regarding service levels put increased pressure on landowners to forego needed assistance or to find it elsewhere. For example, without wildlife and aquatic specialists available through the Department, landowners must privately hire or forego expertise needed to ensure resource protection and enhancement. Addressing the overall approach to landowner services, fire protection, forest health and structure of the Department's revenue and budget remained a high priority issue for the CFF.
- Serving as a Sounding Board for the Department. The CFF functions as a sounding board for the Department on emerging issues and policies, providing initial feedback regarding a decision's potential effect on family forestland. By serving in this role, the CFF can provide feedback early in the process of policy development and issue response. The CFF can also elevate an issue to the Board as appropriate. For example, the Board recently moved regulation of nonpoint source water pollution higher on its priority list at the CFF's urging (see details below).
- Water Quality and Nonpoint Source Regulations. The CFF understands the importance of water quality in Oregon and the vital role of forests as a source of high quality water. Nevertheless, when the Department of Environmental Quality (DEQ) explored revising rules for protecting water on forest lands, our committee urged both the Board and the Department to ask DEQ and the EQC to adhere to the existing historical relationship between the agencies, in which DEQ/EQC set water quality standards and ODF/BOF establish the BMPs that will meet those standards on private forest lands. Although ultimately some language in the rules was changed, this inter-agency relationship was retained. Looking to the future, the CFF intends to continue to help identify and solve real problems associated with nonpoint source water pollution and to help construct an associated effective toxic reduction strategy that is centered in science. Because of the positive contribution of forests to over-all water quality, river health, and watershed function, the highest concern we have is that policy solutions to non point source pollution contribute to the likelihood that forestlands remain in forests, or at the least do not result in a new disincentive to own forestland.

## Tier 2 Issues

- Declining Forest Infrastructure. The CFF closely followed the work of the Forest Cluster group and prepared its own recommendations to the BOF regarding loss of forest infrastructure. Like small forest owners themselves, the Committee remains concerned about the state's declining forest industry infrastructure. Eastern Oregon has been especially hit hard because private lands do not produce sufficient timber to supply a mill capacity that was established around federal timber supply; today only 8 operating lumber mills remain from the 42 that were running in 1988. Family forest landowners in western Oregon near populated areas or near federal forests, and in eastern Oregon everywhere, currently find it difficult for timber and mixed agriculture or range management to generate returns that compete with alternative uses. With relatively high non-resource land values, the land can often be sold for much more than its resource management value, and therein lays a significant challenge if state policy is to maintain the forestland-base for forest uses. The CFF continued to explore ways to accelerate the implementation of the Federal Forestlands Advisory Committee recommendations.
- Financial Incentives. Development of markets for eco-system services provided by well-managed forest lands remained of high interest to family landowners and the CFF. The Committee received several briefings regarding development of SB 513 recommendations to this spring's legislative session. Overall the Committee remains committed to working to develop financial incentives (cost-share programs, others) for maintaining and enhancing environmental values and services. This effort will continue into the next service year when the CFF will explore ways to improve the delivery of cost share programs under the Natural Resource Conservation Service (NRCS). NRCS oversees the Environmental Quality Incentives Program (EQIP), which provides funding and expertise for measures to protect natural resources while ensuring sustainable production on farms, ranches, and working forest lands.
- Social Contract to Practice Forestry. This item has its most visible aspect in the shared public-private portions of the Private Forests and Fire Protection budgets, but also relates to continued viability of the Forests Practices Act (FPA). The Committee views the FPA as landmark legislation that assures the protection of public resources while providing landowners with excellent management guidance. The FPA also serves as a nexus for enforcement of a variety of state and federal laws. Ensuring the viability of the FPA, its effective implementation and its legitimacy in the eyes of the public, is crucial. A viable state regulatory program is essential to ensure the maintenance of a “social license” for practicing forestry, which is fundamental to the viability of private forestland ownership. Another critical issue is solving the periodic funding challenge for ODF’s Private Forests Program. Because general fund dollars fluctuate with the strength of the state economy, the dependency of the Private Forests Program on general funds for the public's share of the Program's budget creates uncertainty and risk unrelated to the need to provide the Program's significant public services. The CFF continues to work with the Department to find a long-term solution to this problem.

- Intergenerational Transfer. The CFF partnered with the Oregon Partnership for Forestry Education and its member groups to begin to develop a strategic plan for meeting landowner education needs, including providing information about succession planning. This work will continue. The CFF is continually reminded that families and communities need help recognizing and addressing issues around transferring forestlands from one generation to the next. With OSWA meeting regularly with the CFF, the Committee engaged more directly in supporting programs and monitoring legislation that can help families retain their lands in forestry when the landowning generation dies or gives up control. The Committee continued its ongoing support of the Ties to the Land curriculum, which engages landowners and helps train foresters who interact with family forestland owners in ways to talk about the importance of succession planning.

### **Tier 3 Issues**

- Bridging Jurisdiction. The debate about the roles of the Department and DEQ in developing regulations for non point source pollution of waters on private forest lands underscored the importance of strong relationships between departments. ODF has served as a one-stop shop to forestland owners for information, technical services, and efficient, integrated approaches for forest management. Because of organizational and staffing changes resulting from uncertain funding, the Department has been challenged to continue to bridge jurisdictional boundaries in areas like watershed, land use, fish & wildlife, and clean water, etc. CFF worked hard to help the Department in its negotiations with DEQ and looked for other ways to help ODF develop, redesign, or retain this bridging function, which is of high importance to family forest land owners.
- Reconnecting Oregonians to Forestry. The CFF is keenly aware of the ongoing need to develop intensive public education on family forestland issues and to reconnect Oregonians to the relevance of forests and forestry to their lives. Through the Oregon Partnership for Forestry Education and by bringing OSWA onto the Committee, the CFF began to collaborate with NGOs to find funding, provide training, develop educational material, and build solutions. To help build awareness of and pride in using locally-grown wood and other products, the CFF urged the state legislature to adopt a "wood first" measure for public construction. The CFF has also discussed reconnecting urban and rural Oregonians through the marketplace by, for example, improving marketing and public relations efforts on behalf of local wood products, and developing local farmer's market-style outlets for wood products.
- Issues of the Day. The CFF has become a nimble working group, ready and able to deal with new issues as they emerge. This work plan item is a place holder for these types of issues and reflects the judgment of CFF that these emerging issues will be a significant part of each year's work.

## ACCOMPLISHMENTS FOR 2010-2011

The Committee used the 2010-2011 CFF Work plan objectives to direct our efforts over the past year. These objectives were determined by evaluating the forward-looking agenda issues raised by committee members, issues raised by the agency budget process and issues related to the development of the Private Forests work plan. The Forestry Program for Oregon and Oregon Indicators of Sustainable Forest Management were used for overarching guidance. As the 2010-2011 year progressed, the continuing state budget crisis and projected ODF budget responses occupied much of the Committee's time. An emerging issue developed regarding the Department of Environmental Quality's process for updating water quality standards. The CFF's accomplishments reflect our continued concern for the Department's revenue and budget, strategic assessment and realignment of ODF, ongoing issues like forest cluster capacity, biomass and forest protection, and emerging issues like water quality policy implementation.

### July 2010

- Presented its annual report to the Board of Forestry. Of significant interest to the CFF was learning whether the BOF values the CFF's input. Board members reassured the CFF on that count, and the CFF's work throughout 2010-2011 has been undertaken with this in mind.

### October 2010

- Discussed the announcement of the State Forester's resignation. The Committee provided the BOF with input into the recruitment and review process.
- The Committee was briefed on the ODF Budget Coalition group's purpose and plan for changes to agency funding mechanisms to help sustain agency program funding. CFF created a two-page handout on why Oregon should have a dedicated fund to Natural Resources.
- The CFF drafted a letter to the Board regarding the appropriate roles for ODF and DEQ in coastal zone management and the importance of this issue to small forest owners and urging the BOF to make this issue a priority.
- The CFF discussed and reviewed the Yale Tax Form Report/Review – *The Effects of Federal, State & Local Taxes on Family Forest Owners*, which addresses tax policies that work or fail to work around the country. Key finding: Tax policy is not driving forest management or fragmentation. The CFF will review Oregon state tax policy with respect to family forestlands to see if changes could help improve forest stewardship.

## **November 2010**

- To increase our knowledge of infrastructure problems across the state, the CFF invited industry and ODF representatives to address Forest Infrastructure. Gary Lettman, David Morman, Valerie Johnson, John Redfield, and Jim James briefed the Committee on land use study results, forest cluster/economic development plans, regulation, taxation, problem areas, and trends. The CFF has continued to receive input on this vital area.
- The Committee was updated on the selection process for the State Forester and prepared interview questions to submit to the selection committee.
- The CFF reiterated its position that water quality issues, including reinforcement of the BOF's role in enforcing and developing rules applicable to forest lands, should remain high on the Board's list of priorities.
- The CFF reviewed and discussed the Senate Bill 513 Ecosystem Services Working Group Report and commended the Department for its efforts and approach to this topic, which remains important to small woodlands owners.
- The CFF identified ways to work with OSWA, including writing articles for the OSWA newsletter and assigning CFF member(s) to attend OSWA Board meetings.

## **December 2010**

- The CFF continued its discussions on the Forest Cluster Working Group and ways to improve Oregon's forest infrastructure.
- The Committee worked with OSWA on identifying priorities and issues to watch in the upcoming legislative session.
- The CFF participated in the Department's internal discussion regarding possible consolidation of the Protection and Private Forests Divisions, forwarding recommendations to Paul Bell for use/discussion at Strategy Group meetings and beyond.

## **January 2011**

- The CFF implemented a policy of inviting Board of Forestry members to meet with us to discuss issues the BOF has identified and to determine ways the CFF can contribute. The first Board member invited was former CFF member Peter Hayes, who led a discussion about sustainable forestry and ecosystem services markets.

- The Committee was briefed on the outcome of DEQ rule changes regarding coastal zone management and water quality and thanked the Board for redirecting resources to this important issue.
- The Committee was visited by new State Forester Doug Decker. We welcomed him and sent a letter of congratulations.

## **February 2011**

- Governor's Balanced Budget was discussed at length. The Committee decided to take an active role in promoting a budget that will restore at least some services to the Private Forests Program.
- The CFF asked the Board and the Board agreed to add OSWA as an ex-officio member and to re-set the CFF appointment schedule (detailed discussion below).
- Revised and updated the CFF priorities and topics list to focus on Eastern Oregon issues, forest infrastructure and economic development, intergenerational transfer of forest lands, work with the NRCS, and understanding tax policies that affect landowners' decision-making.

## **March 2011**

- The State Forester briefed the Committee on changes that may take place within the Department of Forestry, with the Committee voicing support for a projected internal review of the Department's structure.
- The Committee was updated about budget matters and prepared a letter of support for the ODF budget to be sent to the Joint Ways & Means Natural Resources Subcommittee. The Committee also sent a letter to the legislature advocating adoption of a bill requiring "wood first" be considered when constructing public buildings.
- The CFF discussed biomass utilization as a tool for forest health.

## **April 2011**

- The Committee received legislative discussions and updates. A major concern was HB 2700, which would allow persons (pipeline developers) other than the landowner to obtain permits on private land.

- The CFF sent letters to the legislature supporting continuation of SOD program/funding and rejection of deep cuts to OSU Forestry Extension.
- Committee members attended the BOF Pesticide Workshops, which arose in part out of the 2009 Issue Scan in which the CFF participated.
- The entire Committee attended ODF's presentation to the Joint Ways & Means Natural Resources Subcommittee regarding the Private Forests budget, and Committee Vice-Chair Susan Watkins subsequently presented CFF's support for the Co-Chair's budget to the Subcommittee.

### **May 2011**

- The Committee received a report from the State Forester regarding staffing, audits, and the anticipated "stem to stern" overview of the Private Forests Division and offered its support.
- The Committee prepared comments for the BOF regarding the Forest Cluster Working Group's recommendations.
- The CFF continued to discuss legal and practical issues surrounding utilization of biomass as a means to achieve forest health and improve economic infrastructure, especially on the East Side and developed comments to forward to the Board.
- The Committee selected member Sara Leiman to represent CFF at OSWA's annual meeting in June 2011 and report back.

### **Committee Membership**

As noted under February's accomplishments, above, the Committee asked the Board and the Board agreed to make changes in Committee makeup.

The Committee has both *voting* members--who represent family forestland owners, the forest industry, the environmental community, and the public at large--and *ex-officio* members. Voting members serve three-year appointments that are supposed to run from July through June. Over the years, appointment dates of voting members had wandered from the July-June schedule. At the CFF's request, the Board adjusted the terms of current members to enable a return to July 1 appointments.

Also at the Committee's request, the Board added a new *ex-officio* member to the CFF. The Oregon Small Woodlands Association will now be represented on the CFF along with representatives from Oregon State University College of Forestry, the State Forester, Oregon Forest Resources Institute, public land managers, and forestry interest or consulting groups. This move already has proved beneficial to both the CFF and OSWA, improving communications and coordination between two groups with significant outreach to the family forest landowner community.

The Board appointed two voting members to new terms that will expire June 30, 2014. Craig Shinn, Citizen-at-large and Chair, and Sarah Deumling, Environmental Community member, will continue their important work on the Committee. Because voting members are limited to two consecutive terms, these members will be termed-out in 2014.

Greg Miller, forest industry representative, completed his final term on June 30 of 2011. His good humor and wise counsel will be much missed. By separate report, the CFF will submit a nomination for his replacement to represent the forest industry.

## **WORK PLAN FOR 2011-2012**

The Committee developed new objectives to direct its efforts in the upcoming 2011-2012 year by re-evaluating its 2010-2011 objectives in light of the past year's accomplishments and changing circumstances, including the Department's planned review of the Private Forests division, the continued state budget crisis, and emerging issues. The Forestry Program for Oregon and Oregon Indicators of Sustainable Forest Management were used for overarching guidance.

Consistent with the Board of Forestry's policy objectives for Private Forests, keeping family forestlands in forest remains the key issue for the Committee (keep working forests working).

In the coming year, the committee plans to address the following issues, which are prioritized into three tiers of importance in terms of how they could potentially affect family forestlands:

### **Tier 1 Issues**

- **ODF Matter: Stem to Stern, revenue & budget models**  
The CFF functions as a sounding board for the Department on emerging issues and policies. The CFF provides initial feedback regarding a decision's potential effect on family forestland. By serving in this role, the CFF provides feedback early in the process of policy development and issue response. It is clear from the State Forester's stated direction and the Legislative interest that several "big looks" will be occurring in the next year. CFF is prepared to robustly participate in these critical reviews.
  
- **Forest Cluster Infrastructure & Economic Vitality**  
The CFF has closely followed the work of the Forest Cluster group and prepared its own recommendations to the BOF regarding loss of forest infrastructure. This remains a critical issue for the CFF. A vital forest cluster is critical to ensure that forestlands stay in forests. This is particularly true for family forest land owners we represent. By definition family forest land holdings are small, less than 5,000 acres with well over a hundred thousand forest land owners in Oregon owning from a few acres to several hundred. Clearly owners of family forests are dependent on the capacity, competency and availability of those in the larger forest cluster for

managing their lands and realizing the values associated with their lands. The CFF is concerned about the direction forest management will take on federal lands. Active forest management plays a critical role not only in maintaining forest health and productivity across the forest landscape but also in sustaining the infrastructure that all forest landowners depend upon. Family forest landowners must be financially viable regardless of the management objectives they hold for their lands. A vital forest sector is key to this success now and in the future. The CFF has become particularly aware of how close to the edge many components of the forest sector are in eastern Oregon and south western Oregon. These areas deserve special, immediate attention.

- **Eastern Oregon Forest Management**

Eastern Oregon's forests have seen decades of excessive suppression of natural wildfires on both public and private lands, and well-intentioned but often inadequately informed social resistance to the active management of public forests. Many forests are consequently severely overstocked and in rapidly declining health. As the forests have declined, so have the rural communities and industries that depend upon them.

A widespread reversal of social and scientific willingness to accept these short-sighted management strategies is now emerging. The result is an increasing readiness among many stakeholders to more actively manage these forests to restore their health. The health of the forests, however, is sufficiently impaired that there is urgent need for an immediate, well-informed, and determined turnaround in management strategy that includes prompt and continued state efforts to better educate stakeholders about good forest practices and to develop policies to revitalize the labor force and infrastructure required for active forest management. The forests need the labor and infrastructure as surely as the labor and infrastructure need the forests; the forests cannot be tended without them.

Federal forests are crucial to east-side forest health. Privately-owned family forests cannot be sustained in healthy condition if nearby federal forests are not kept healthy and actively managed. Unhealthy federal forests are often the source of wildfires and insect and disease epidemics that cross boundaries, damaging private forestlands. Additionally, family forest owners rely on the federal forests to help supply local mills, since harvest levels from family forests alone are insufficient to do so. As a result, state policies pertaining to east-side family forests must include careful coordination with federal agencies and lawmakers, in addition to the more obvious attention to issues directly pertaining to family-owned lands.

- **Intergenerational Transfer**

This remains a constant concern of family forest owners. The CFF is committed to finding ways to help families and communities recognize and address issues that impact the transfer of forestlands from one generation to the next. The Committee supports use of the Ties to the Land curriculum to engage landowners and to help

train foresters who interact with family forestland owners to assist landowners in addressing the importance of succession planning. The CFF will continue working with the Oregon Partnership for Forestry Education to develop a strategic plan for meeting landowner education needs in this and other areas.

## **Tier 2 Issues**

- **Financing Forests and Forestry – Taxes and the business of Family Forestry**  
In the last several years CFF has looked at various aspects of the “business case” for family forest landowners including taxes, incentives and disincentives, and other carrying costs. In discussions this year, CFF has decided to take a “land owner up” perspective on this issue. The idea is to aggregate the various burdens and benefits that impinge on family forest landowners. Specific issues and recommendations are likely to both reach back for content covered in the last few years and plow new ground.
- **Reconnecting Oregonians to Forests -- OFRI, Ties to Land, Other Tools**  
The CFF is keenly aware of the ongoing need to develop intensive public education on family forestland issues and to reconnect Oregonians to the relevance of forests and forestry to their lives. The CFF has worked to collaborate with NGOs to find funding, provide training, develop educational material, and build solutions. To help build awareness of and pride in using locally-grown wood and other products, the CFF urged the state legislature to adopt a "wood first" measure for public construction. The CFF has also discussed reconnecting urban and rural Oregonians through the marketplace by, for example, improving marketing and public relations efforts on behalf of local wood products, and developing local farmer’s market-style outlets for wood products.
- **Social Contract to Practice Forestry**  
The CFF's strong interest in reinforcing this concept will continue into the new year. Non-industrial private forests comprise a unique and irreplaceable component of the forested landscape, providing a diverse mosaic of stand structures and habitats. They are also the forests most often located in the wildland-urban interface, in close proximity to the majority of the human population. Consequently, they foster many of society’s strongest impressions of and relationships with forests and forest management. Public interest in the management, retention, and regulation of these forests is steadily escalating as the myriad links between healthy forests and human well-being are better understood. Private forest owners, however, face substantial operational challenges, and more financially attractive opportunities to utilize their land for purposes other than sustaining forests often arise. Broad-scale retention and prudent management of family forests therefore requires a compelling ‘social contract’ between private forest owners and the public. To be effective, this contract must be ecologically sound, financially viable for both the public and the forest owners, and socially fair in terms of its distribution of public and private

responsibilities for producing essential ecosystem services. The social contract must therefore include:

1. Robust provisions for educating forest owners and the public about good forest practices,
2. A broad-based social and legislative commitment to provide a positive public atmosphere and appropriate cost-share support for the production of required ecosystem services,
3. Appropriate public funding for the Department of Forestry, and for ongoing implementation, adaptive review, and modification of the Forest Practices Act and other forest-related mandates,
4. A viable, accessible forest industry to enable forest owners to design and implement sustainable forest improvement and harvest practices, and
5. A social, legal, and financial framework that enables forest retention during the process of intergenerational transfer.

- **Ecosystems Services**

The CFF shares ODF's assessment that ecosystem services markets have the potential to help maintain forests as working forests and will continue to watch the development of such markets closely. When properly designed and implemented, a flexible ecosystem services market system should help address unresolved issues associated with regulatory inequities faced by small forest landowners. The Committee also agrees that such markets should adopt regulatory baseline policies that include all services the land provides whether required by law (such as the Fair Practices Act) or not. The Committee also believes landowners and markets should be free to trade services individually (stacked) or in bundles.

### **Tier 3 Issues**

- **Forest Protection Associations**

CFF is aware of FPAs and the critical role they play in Oregon's forest protection system. However, many CFF members have not been closely involved in these organizations. The goal is to become more aware of the history, structure and function of these associations and critically appraise the relationship of these associations with family forest lands and their owners.

- **Interagency Opportunities – Federal (e.g., NRCS) and State**

Last year the experience of ODF in implementing stimulus funded projects, the importance of federal forest management, and debates about the roles of the Department and DEQ in developing regulations for non point source pollution of waters on private forest lands underscored the importance of strong relationships between agencies, jurisdictions and organizations. This issue area includes narrow topics like those surrounding water quality and the availability of supporting services and programs from NRCS. It also includes broader issues like federal initiatives in landscape conservation and state initiatives in watershed management--all issues that are critically important to family forest landowners. CFF is particularly aware that

ODF has served as a "one-stop shop" to forestland owners for information, technical services, and efficient, integrated approaches for forest management. One overarching concern of CFF relates to challenges the Department faces in continuing this role of bridging jurisdictional boundaries in areas like watershed, land use, fish & wildlife, and clean water protection. CFF will look for ways to help ODF or other partnering organizations to develop, redesign, or retain this bridging function that is of high importance to family forest land owners and to become more aware of opportunities other agencies, jurisdictions and organizations have in support of family forestry. Initially, the CFF intends to become more familiar with local NRCS objectives and practices and to discover ways to influence those to the benefit of family forest owners.

- **Conservation Mechanisms**

The CFF will continue exploring a range of conservation mechanisms in the interest of both the "intergenerational transfer" of family forest land and "keeping forest land in forest." The Committee will search for mechanisms that are accessible and acceptable to family forest landowners while also being appropriate in the state of Oregon. This should include interfacing with local agencies as well as investigating strategies used successfully in other states to encourage and provide incentives that favor continuity of active family forestland management.

- **Board Member Meetings**

The CFF has met productively with two Board members and intends to continue the practice of inviting Board members to attend Committee meetings to discuss issues of importance to the member and family forest owners.

- **Issues of the Day**

The CFF has become a nimble working group, ready and able to deal with new issues as they emerge. This work plan item is a place holder for such issues and reflects the judgment of CFF that emerging issues will be a significant part of each year's work. This past year emerging issues included assisting the Department in selecting a new State Forester, advocating for a sound budget for the Private Forests Division in the coming biennium, and advising the Board about the impacts of DEQ efforts to enhance water quality on small landowners. One of the issues that is sure to surface in the coming work year involves forest roads as point sources of water pollutants. Since 1976, the EPA has not required permits for forestry activity, allowing the states to regulate forestry through Best Management Practices. The CFF supports this "Silvicultural Exemption" and Oregon's regulation of forestry under the Forest Practices Act. If the recent Ninth Circuit decision in *NEDC v. Brown* is interpreted to require EPA permits, the CFF wants to ensure that assistance is available to family forest owners for compliance and that family forest owners are treated equitably under any federal or state legislation that results. The fate of the Court's decision is not yet clear; the CFF will monitor this throughout the year.