Testimony of Jamey Fidel Forest and Wildlife Program Director and General Counsel Vermont Natural Resources Council

February 1, 2017

Joint Hearing - House Agriculture and Forestry Committee and Senate Agriculture Committee – Vermont Housing and Conservation Coalition

Thank you for the opportunity to testify in support Vermont's rural land and the critical funding that helps maintain our working farms and forests and significant natural resource areas.

I will focus mostly on our forestland as that is when my expertise lies.

For the last decade we have hosted the Forest Roundtable, a gathering of diverse stakeholders including forest landowners, conservation interests, government officials, foresters, forest products industry reps, planners, rural economic development advocates, etc. to discus how to maintain Vermont's forests. We have held forty meetings, and have focused our recommendations into a Roundtable report that has served as a blueprint for policy making.

One of the reasons the Roundtable started to meet is the collective concern over the increasing parcelization and fragmentation of Vermont's forestland and economic and ecological impact of this trend.

Our forests are a <u>major driver of our economy</u>. Forest based manufacturing, recreation, and tourism employ approximately 13,000 Vermonters and contribute about \$1.5 billion in revenue to the state every year.

Our forests also provide a <u>rich array of important ecological functions</u>. They support wildlife habitat, protect water quality and help insulate communities from the effects of extreme weather, such as flooding. According to the Gund Institute of Ecological Economics at UVM every acre of forestland provides approximately \$318.50 worth of benefits for services like rainfall regulation and flood control on an annual basis.

In addition, Vermont's forests remove an estimated 75,000 metric tons of carbon and 1,610 metric tons of other pollutants from the atmosphere each year – a function that would be worth about \$16 million if we paid for these pollution control services out-of-pocket.

Vermont's forests are productive in many respects. From supporting forest products, including maple syrup, to the leaf-peeping economy, to providing ecosystem services and recreational opportunities like hiking, skiing, snowmobiling, hunting, and wildlife watching, forests contribute to the health and wellbeing of our state.

We cannot, however, take our forests for granted. Vermont is the third most heavily forested of the lower 48 states, but <u>for first time in over a century our forests are</u> <u>actually declining in extent</u>.

While it is hard to pin down the exact amount of acreage that has been lost, between 1982 and 1997, 51,000 acres were converted to other land uses. A more recent Forest Service report suggests that Vermont may have lost up to 75,000 acres of forestland from 2007 to 2013.

From above, the Vermont landscape has an appearance of densely forested lands; however a closer look at the surface reveals that our forests are being fragmented by rural sprawl. The breaking up of large parcels of land into smaller and smaller parcels is a significant issue in Vermont and parcelization trends are noticeable.

A recent VNRC study quantified the rate of subdivision in twenty-two case studies in Vermont. Over a study period of 2002-2010, there were 2,749 lots created from 925 subdivisions affecting a total of 70,827 acres in just 22 towns. There are over 250 municipalities in Vermont, so this just provides a small snapshot of a larger subdivision trend in Vermont.

Specifically in regards to forests, data from the Forest Service demonstrates that we lost <u>five percent</u> of forests over 100 acres in size between 2001 and 2006. This highlights an increasing trend in Vermont; smaller forest parcels are being created through the fragmentation and parcelization of land from subdivision.

To arrest this trend, approximately 100 participants of the Forest Roundtable identified 27 recommendations to maintain Vermont's forests and forest economy. The recommendations were broken up into four categories: land use planning, sound tax policy, valuing ecosystem services; and maintaining a sustainable forest products industry. One of primary recommendations out of the 27 policies was to disburse the property transfer tax revenue according to the formula set in statute, which would fully fund VHCB.

The Roundtable supported this recommendation in order to strengthen VHCB's ability to conserve forestland with willing landowners. The Roundtable recognized that along with the current use program, VHCB is an integral program to keeping forestland

undeveloped and productive.

VHCB is vitally important to holding the rural fabric of our working farms and forests together, in addition to supporting lands for their recreation and ecological significance. VHCB also plays the vital role of helping farmers develop business plans, and helping forestland owners understand the value of planning ahead to keep their forests intact. This is an emerging area of importance because of the aging demographic of forestland owners in Vermont.

Last year, several members of the Vermont Housing and Conservation Coalition joined under the banner of the Forest Partnership to support increased legislative attention to value of Vermont's forests. Those organizations – the Vermont Land Trust, VNRC, Audubon Vermont, the Nature Conservancy, Trust for Public Land, Vermont Conservation Voters, and others strongly supported the forest omnibus bill that passed last year – Act 171, which boosted land use planning for forests, strengthened support for maintaining forest industry at the municipal level, and helped promote technical assistance to forest landowners. Thank you for you increased attention to the importance of forests over the past several years.

Embedded in this support for forests is the underlying premise that funding for VHCB is integral to keeping farms and forests intact.

In Vermont, we value well-planned development and a growth pattern of supporting downtowns and village centers surrounded by rural countryside. If we are smart about our future, we can continue to accommodate new affordable housing while ensuring that our forests provide for diverse forest products, modern and efficient wood energy, intact wildlife habitat, recreational opportunities and clean, healthy water.

Vermonters overwhelmingly value our working lands, our rural character, natural environment, and forested hills and iconic mountains. We have an incredible opportunity to be proactive and develop lasting policies that will keep our forests intact.

Please support the Governor's budget recommend of \$16.3m to VHCB for FY18, a million dollar increase from last year.