

CRS Report for Congress

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Forestry in the Farm Bill

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Summary

Many programs authorized in the 2002 Farm Bill (P.L. 107-171) will expire at the end of FY2007, and the House and Senate Agriculture Committees are likely to consider legislation to reauthorize these programs. General forestry legislation is within the jurisdiction of the Agriculture Committees, and past farm bills have included provisions addressing forestry, especially on private lands. The next farm bill may also include forestry provisions addressing various issues, such as funding for forestry programs, wildfire protection, invasive species control, economic diversity for forest-dependent communities, and markets for ecosystem services. This report will be updated as events warrant.

Forestry programs have been addressed in past farm bills and other agriculture legislation. The initial federal forestry funds were for a study of western forests in the 1877 Agriculture appropriations act, and the Division of Forestry was established in the Department of Agriculture (USDA) in 1881. In 1905, the forest reserves (in the Department of the Interior) were transferred to USDA, and a new agency — the Forest Service (FS) was created. Thus, federal forestry has historically been associated with agriculture, and with agriculture legislation. This report briefly describes the Agriculture Committees' jurisdiction over forestry, with examples of legislation addressed by the committees. It concludes with a discussion of forestry issues likely to be addressed in the upcoming farm bill.

Background

Both House and Senate Committees on Agriculture have jurisdiction over “forestry in general” and acquired national forests.¹ Thus, the committees have been able to exert considerable influence over federal forestry activities over the years. For example, the Forest and Rangelands Renewable Resources Planning Act of 1974 (RPA; P.L. 93-378) and the National Forest Management Act of 1976 (NFMA; P.L. 94-588), which guide Forest Service planning and management, were both initially referred to the Agriculture

¹ Jurisdiction over national forests established from the public domain lies with the House Committee on Resources and the Senate Committee on Energy and Natural Resources.

Committees. More recently, the Healthy Forests Restoration Act of 2003 (P.L. 108-148) was referred to and reported by the Agriculture Committees.

In addition to forestry on federal lands, the Agriculture Committees have jurisdiction over forestry research and forestry assistance to states and to private landowners.² Forestry research is governed largely by the Forest and Rangeland Renewable Resources Research Act of 1978 (P.L. 95-307), which revised and updated the McSweeney-McNary Act of 1928. Forestry assistance is governed largely by the Cooperative Forestry Assistance Act of 1978 (P.L. 95-313), which revised and updated the Clarke-McNary Act of 1924.³ Both laws were referred to and reported by the Agriculture Committees.

Recent farm bills have also included forestry provisions, primarily addressing the forestry assistance programs. The 1990 Farm Bill (the Food, Agriculture, Conservation, and Trade Act of 1990, P.L. 101-624) contained a separate forestry title that:

- created four new forestry assistance programs;
- revised two existing forestry assistance programs;
- amended two forestry assistance programs;
- revised the administrative provisions for forestry assistance;
- created five special forestry research programs;
- amended three existing forestry research programs;
- authorized a private, non-profit tree planting foundation; and
- created a new FS branch — international forestry.

The 1996 Farm Bill (the Federal Agriculture Improvement and Reform Act of 1996, P.L. 104-127) included only a few forestry provisions, extending the authorization for the one expiring assistance program and adding a new funding option within an existing program.

The 2002 Farm Bill (the Farm Security and Rural Investment Act of 2002, P.L. 107-171) also contained a separate forestry title. The House-passed version contained several provisions. The Senate-passed version modified most of these provisions (deleting one), and added more than a dozen additional provisions. The conference could not resolve many of the differences, and the conference agreement contained fewer provisions than either the House or Senate version. (Some of the disputed provisions have been enacted subsequently in the Healthy Forests Restoration Act.)

Issues for a Future Farm Bill

Reauthorization of the many agriculture programs is a prime reason for the periodic farm bills, but only two forestry programs have an expiring authority. The authorizations for expenditures under the Forest Land Enhancement Program (FLEP) and for the Office of International Forestry expire at the end of FY2007. All other FS forest management and planning, research, and assistance programs are permanently authorized, many at “such sums as are necessary.” This may reduce the pressure to include a forestry title in

² These three programs — forest management, forestry research, and forestry assistance — have traditionally been the three principal branches of the USDA Forest Service.

³ For more information on these programs, see CRS Report RL31065, *Forestry Assistance Programs*, by Ross W. Gorte.

the upcoming farm bill. Nonetheless, various forestry issues may be raised, such as: funding; wildfire protection; invasive species; economic diversity; and markets for “ecosystem services” that have not traditionally been marketed.

Funding. Federal funding for forestry assistance programs has generally been rising, but the increase has not been spread equally among the various programs. Since the severe 2000 fire season and the development of the National Fire Plan, funding for cooperative fire programs (assistance to states and volunteer fire departments) has risen substantially (more than triple pre-2000 funding), and remained at very high levels. Funding for Forest Legacy (acquisition of lands or easements on lands threatened with conversion to non-forest uses) has also risen substantially, from less than \$4 million in FY1998 to \$60 million or more annually since FY2001 (and a request of \$100 million for FY2005). In contrast, the Administration has proposed terminating funding for the Economic Action Program (economic assistance to rural, forest-dependent communities), and funding has fallen from a peak of \$54 million in FY2001 to less than \$20 million in FY2005.

The adequacy of funding for private landowner assistance programs has been of concern to many. These programs provide cost-shares to qualified landowners for various forestry practices that increase tree growth, improve wildlife habitat, protect watersheds (and thus improving water quality), etc. One of the changes enacted in the 2002 Farm Bill was to replace two programs — the Forestry Incentives Program (FIP) and the Stewardship Incentives Program (SIP) — with the new Forest Land Enhancement Program (FLEP). Because funding for FIP and SIP was discretionary and stagnant (FIP) or lacking (SIP), FLEP was given mandatory funding of \$100 million total through the end of FY2007. The promise of mandatory spending has, however, not been fulfilled. The FS released \$20 million for FLEP in FY2003, and borrowed \$50 million of the total to pay for firefighting in the 2003 fire season. The FY2004 Interior Appropriations Act⁴ repaid nearly \$10 million, leaving a balance of \$40 million. In the FY2005 budget request, the President requested that the remaining funds be cancelled (not released for expenditure by the FS). After the release of \$5 million for FY2004 and \$10 million for FY2005, the balance of FLEP funding was cancelled, pursuant to FS Administrative Provisions in P.L. 108-447, the Consolidated Appropriations Act of 2005. Thus, of the \$100 million guaranteed for FLEP in the 2002 Farm Bill, only \$35 million will have been spent, with \$40 million borrowed and not repaid, and \$25 million cancelled. Given this history, Congress seems likely to revisit the issue of funding for landowner forestry assistance programs in the next farm bill.

Wildfire Protection. The threat of wildfire damages to resources and property seems to have increased in recent years. Attention has focused on high biomass fuel levels, particularly in federal forests, and on structures (especially homes) in or near at-risk forests, a situation known as the wildland-urban interface (WUI; see CRS Report RS21880, *Wildfire Protection in the Wildland-Urban Interface*, by Ross W. Gorte). Section 8003 of the 2002 Farm Bill created a new Community and Private Land Fire Assistance Program to assist communities and private landowners in planning and other activities to protect themselves from wildfires. The program was authorized at \$35 million annually through FY2007 and “such sums as are necessary ... thereafter.” The

⁴ FS programs have been funded in the annual Interior appropriations acts since 1955.

FS has included such expenditures as authorized activities in its State Fire Assistance Program, and for FY2005, the House Appropriations Committee directed that “\$5 million of the increase [to State Fire Assistance] is provided to fund, on a cost share basis, community wildfire protection plans.” (H.Rept. 108-542, p. 94) However, Congress has not appropriated funds explicitly for this program.

Protecting private lands and structures from wildfires seems likely to continue to garner congressional attention, as the threat of wildfire persists. How to assist private landowners and communities, how to combine this assistance with other assistance and incentive programs, and how to fund such assistance seem likely to be a focus of debates over forestry programs in the next farm bill.

Invasive Species. Invasive species — non-native plants and animals that are displacing native ones — are becoming recognized as a substantial problem. (See CRS Report RL30123, *Invasive Non-Native Species: Background and Issues for Congress*, by M. Lynne Corn, et al.) In a speech to the Idaho Environmental Forum in January 2004, FS Chief Dale Bosworth identified invasive species as one of the four major threats to the nation’s forests and rangelands.⁵ The FS’s Forest Health Management Program has evolved from a mechanism to survey and control insects and diseases, to a program to address all forest pests, including invasive species. In its FY2004 and FY2005 budget requests, the Administration proposed an Emerging Pests and Pathogens Fund to address rapidly developing problems of invasive species, but the Appropriations Committees rejected the request both years. In its deliberations over the next farm bill, Congress might address the structure and financing of programs to prevent and control invasive species on federal, state, and private forests.

Economic Diversity. The economies of many rural communities have evolved around the use — finding, extracting, processing, and selling — of natural resources. In some of these areas, one resource (e.g., timber, minerals, livestock) has traditionally dominated the local economy, but the economies of such areas can be devastated when that resource is depleted or when its markets are depressed (permanently or even temporarily). Many communities have sought approaches to diversifying their economies, to mitigate the travails that can occur when a dominant economic sector becomes depressed. The National Forest-Dependent Rural Communities Economic Diversification Act of 1990 was enacted in §§2372-2379 of the 1990 Farm Bill to authorize forestry and economic diversification technical assistance to “economically disadvantaged” rural communities. Funding, under the title *Economic Action Program*, rose from \$14 million in FY1996 to \$54 million in FY2001, but has declined since, and President Bush has proposed terminating the program in his FY2005 and FY2006 budget requests. In its deliberations over the next farm bill, Congress may consider ways to perpetuate economic assistance programs for traditional wood products-dependent communities, either as a continued FS program or as part of other USDA rural assistance programs. (See CRS Report RL31837, *An Overview of USDA Rural Development Programs*, by Tadlock Cowan.)

⁵ The other three identified threats are fire and fuels, unmanaged recreation, and loss of open space. See [<http://www.fs.fed.us/projects/four-threats>], visited on Nov. 21, 2005.

Markets for “Ecosystem Services.” Forests provide an broad array of environmental services — clean air and water, wildlife habitats, pleasant scenery, etc. — for which private landowners are generally not compensated, because these services are typically not bought and sold in a marketplace. A variety of interests have gathered to examine the possibilities of finding ways to compensate landowners for continuing to provide ecosystem services. This is akin to the “green payments” for farmers who provide environmental benefits through their farm management practices. Such “green payments” for forest landowners’ ecosystem services might be discussed in the congressional deliberations over the next farm bill.