

THE PENNSYLVANIA FORESTRY ASSOCIATION

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**The Pennsylvania House of Representatives
Environmental Resources and Energy Committee**
Informational Meeting on PA's Forests and Forest Products.
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I thank the Chairmen and the committee members of the House Environmental Resources and Energy Committee for the opportunity to address the concerns of private forest landowners in Pennsylvania as well as the forestry industry in general. I am Mark Ott, President of the Pennsylvania Forestry Association (PFA) and a private forest landowner from Centre County where I am a retired Chef by trade and a volunteer EMT, Firefighter and Water Rescue Tech. PFA is the longest running forestry conservation organization in the nation, established in 1886. Since its establishment, The Pennsylvania Forestry Association has been working to promote forest stewardship to ensure the sustainability of all forest resources. Among our members are forest landowners, forest industries, resources professionals, loggers, private citizens, environmental groups, and businesses who care about Pennsylvania's forest resources.

Pennsylvania, is the only state named for its forest, "Penn's Woods." Pennsylvania has the largest hardwood forest in the United States which provides a host of benefits. Forest properties provide indirect and direct benefits to all Pennsylvanians such as air and water quality protection, recreational opportunities, wildlife habitat, biodiversity, aesthetic views, recreation, flood reduction, carbon sequestration and wood products that are essential to our daily lives. Pennsylvania is fortunate to have 58 percent (16.9 million acres) of its land covered with forests. About a third of these woodlands (29 percent, 4.9 million acres) is in public ownership by federal, state and local government. Privately held forests and woodlands comprise over two thirds (71 percent, 12 million acres) of which only 3 percent is owned by the forest product industry. The diverse private ownerships represent areas from one to thousands of acres held by an estimated 750,000 owners (e.g., individuals, families, partnerships, corporations). Our state's communities are well-served if they help forest owners retain and manage their lands to produce their countless values.

Today, forests face increasing challenges from many factors including invasive insects and diseases, development pressures, labor shortages, deer impact and climate change. By cataloguing the benefits forests provide, by adopting regulations and practices that conserve forests, by allowing sustainable harvesting, by supporting the industry and by educating residents about the value of forests, government plays a key role in ensuring the conservation and responsible use of Pennsylvania's forest lands. While we recognize large tracts predominated by trees as forests, other wooded parcels, such as farm woodlots, wooded open space within residential developments, and forested buffers along streams, are also key components of our forested landscapes. In addition, we must also recognize Urban Forests – those trees along the streets and in the parks and yards of Commonwealth cities and towns. These also provide great benefit to the 80% of our residents who live there through temperature buffering shade, cleaner air, calming presence, softening of urban vistas and more. The Keystone Tree Fund was established through legislation in 2019 and can now be used by Treevitalize under DCNR. Funded by a \$3 checkoff on driver's license and vehicle registrations, this fund is slowly growing and will benefit urban forestry. The legislature may also appropriate funds for the Keystone Tree Fund and we encourage them to do so.

Pennsylvania has historically provided about 10% of the nation's supply of hardwood lumber and leads the United States in the export of lumber. In 2018 Pennsylvania's forest products industry was responsible for 64,000 jobs, \$3.5 billion in earnings, \$21.6 million in direct economic impact and \$36 billion in total economic impact. At the second quarter of 2020 there were 65,773 people working at 2,169 establishments. Sustainable forestry, timber access, and logging issues impact the whole state. If municipalities attempt to unreasonably restrict timber harvesting or legislation is passed that limits forestry operations, it negatively impacts jobs in the secondary wood products industry across the state.

The forest product supply chain begins with the forest landowners who manage their land for a combination of reasons including wildlife habitat, carbon sequestration, firewood, recreation and hunting, and sometimes just for its aesthetic value or beauty. It is important to realize that these goals can be achieved while also managing the forest for its timber resource. The decisions the forest landowner makes or does not make have an impact on the quality and value of the forest and its resource, now and in the future.

Forest industry includes the loggers, the foresters, the paper mills, the sawmills, the truckers, the cabinet makers, and many others. The forest industry is committed to making sure that Penn's Woods remain sustainable and can provide the multiple resources that we have all become accustomed too. Most private landowners do not have the ability to determine the needs of their forests or harvest trees on their own to the extent that is needed to ensure a healthy and productive forest. So initially a forester or other resource professional becomes involved. Often one of the tools needed to manage a forest is a harvest. A logger is utilized to harvest dead and dying trees, suppressed trees, over-mature trees and any other trees that have been selected to accomplish the management goals. However, without a market there would be no place to send the trees that are harvested. Thus, the critical need to promote the health and vigor of Pennsylvania's sawmills, paper mills, cabinet makers, etc. Without a market for the wood products there would be no income for the landowner and therefore, less incentive to practice proper forest management.

The challenges we face and some of the positives that are helping include:

Challenge - Several non-native, invasive pests and diseases threaten the health and productivity of Pennsylvania's forests. These include gypsy moth, hemlock wooly adelgid, beech bark disease, emerald ash borer, walnut thousand cankers disease, syrex woodwasp and spotted lanternfly. Much more work needs to be done to address the invasive pests,

Challenge - In many parts of the state, a continued overpopulation of deer is limiting the ability for the forest to regenerate. The term "Deer Wars" denotes the conflicts between hunters that want to see a deer behind every tree so they can quickly harvest "my deer" and foresters who would like to see about 8-15 deer per square mile depending on habitat carrying capacity.

Positive – The PGC has become more tuned to the damage the deer are causing to the forests and the other wildlife that live there. Recent adjustments to regulations include increasing Deer Management Assistance Program (DMAP) tag possession from 2 to 4 tags, concurrent antlered and antlerless seasons, allowing the harvest of more than one deer per day and allowing the harvest of a second deer before the first is tagged. More needs to be done to allow landowners to control the herds that are decimating their woodlots. The Quality Deer Management Association (QDMA) is one organization that could help. QDMA uses a scientific approach to increasing the quality of deer harvested

through documenting deer populations, habitat carrying capacity, harvest statistics and deer age and health among other criteria to help determine harvest goals for enrolled properties.

Challenge - Invasive vegetation, weather events, changes in acid deposition and air pollution are other factors that impact the health and productivity of Pennsylvania's forests.

Challenge – Declining industry workforce and labor shortage. Fewer young people are entering the forestry industry workforce. The average age of workers in the industry is in the high 50s. PA produces very high-quality wood and with increased marketing of that quality, we might see higher prices for our product that would in turn drive higher wages and attraction to industry positions.

Positive – The PA Forest Products Association has scheduled a “job fair” to connect employers and workers at the biennial Timber Expo held near State College. More initiatives and messaging promoting forestry jobs such as this are needed to bolster the industry workforce.

Positive - Pennsylvania's forests are growing at more than twice the rate of their removal ratio. This is a boon to carbon sequestration and is of such value that the American Forestry Foundation, parent organization of the Tree Farm System currently has a pilot program in the state to enroll private forest landowners in the carbon sequestration market. Funds from these enrollments help landowners to invest in forest management practices or to simply pay the taxes on their properties which helps keep them in the family and avoid the growing parcelization of forest tracts that occurs through sales or breaking up the parcel as it proceeds through generations of family ownership.

Positive - Pennsylvania is a national leader in the implementation and promotion of sustainable forestry practices that provide renewable resources to support the forest products industry while ensuring sustainability of our forests for future generations.

Positive - The Pennsylvania Forest Products Association (PFPA) administers Sustainable Forestry Initiative (SFI) through an Implementation Committee, which conducts logger training, landowner education and public outreach to achieve continuous improvement in forestry and harvesting practices.

Positive - More than 2.4 million acres of State Forest and private lands are certified as “well-managed” according to the criteria of the Forest Stewardship Council. Pennsylvania is a leading producer of FSC-certified lumber and forest products.

As of 2019, Pennsylvania now has 2,279,105 acres certified to the SFI Forest Management Standard. State forest lands in Pennsylvania have been certified under the Forest Stewardship Council (FSC) since 1998 and achieved SFI certification in 2020 for dual FSC/SFI certification.

Positive – The PFA, through its PA Tree Farm Committee, oversees the Tree Farms in PA giving these landowners the only option open to them for certifying that they are sustainably managing their forests. This certification along with the FSC and SFI certification of PA forests should one day drive premium prices for wood harvested from the properties. I look for the FSC or SFI logo on wood products that I purchase, be it paper or lumber. Be sure you do so also. Spread the word.

Positive - Forest management provides tax benefits to state and local governments. According to a study conducted by the American Farmland Trust, forestland and farmland yield an average of \$3 in taxes for every \$1 of required governmental services, while residential land costs \$1.11 in services for every \$1 collected in tax revenues.

Negative – Logger workers compensation rates are a barrier to hiring logging workers. Rates have come down from \$54/\$100 income in 2018 to \$37/\$100 income in 2020 based only on incident history and actuarial data. However, this cost is still too high for most loggers. Loggers in New York state pay \$13-\$17/\$100 income.

Positive – Part of the reason that PA has been able to somewhat lower the workers compensation rates in the logging industry is due to increased mechanization in timber operations. This places loggers at less risk of injury on the job. Logger training by SFI of PA has also helped to reduce logging accidents. Landowners are encouraged to use SFI of PA trained loggers in their harvests. This should become a State standard of operation.

Negative – The increased mechanization has increased overhead costs for logging companies who are now reluctant to move large machines onto small landholdings to perform a small harvest. This leaves landowners of these woodlands with few options to have recommended management practices performed. Educating landowners to manage the larger landscape in cooperation with neighbors can help in creating forest treatments over a larger combined tract that are worthwhile for a mechanized logger to tackle.

Positive – The ACRE law which has been instrumental in shutting down uninformed local regulations on sustainable forestry practices. Not enough can be said for this legislation. Make sure it always has teeth to protect forestry and farming practices.

Positive – Markets & Marketing are important components in having somewhere for our forest harvests to go and be used. The Hardwood Development Council and PFPA along with the three Hardwood Utilization Groups (HUGs) in the state have been instrumental in promoting PA forest products and keeping markets open and interested in the great wood we produce. The HDC under the PA Dept. of Agriculture should remain fully funded with an eye to increasing that funding each year as the state budget is worked on. They do great work, actually the most important promotional work, for PA forests and this needs to remain a priority.

Negative – Trade tariffs (and leadership change in China) recently caused a significant decrease in exports to China, the top importer of PA wood. This caused the closing of many local sawmills. Other major plant closings such as the 2021 closing of the Appvion Paper Mill in Blair County and even the Verso Paper Mill closings in MD & WV in 2019 further acerbate the market availability for harvest products, in these cases for pulpwood. Pulpwood is a large component of many small woodlot harvests made with an eye to timber stand improvement. Those plants in Blair Co. and just over the border in MD & WV used a good amount of PA pulpwood. Without those mills, loggers in southwest and southcentral PA no longer have a viable pulpwood market.

Negative – Stagnant investment in Parks and Forests has been limiting maintenance of these “Crown Jewels” of Pennsylvania. Maurice Goddard envisioned a state park system that would place a park within 15 miles of every Pennsylvanian. His work nearly reached that goal with the establishment of the state park system. State forests are another aspect of this asset for Pennsylvanians. Our forebearers were witness to the days when PA forests were devastated from overharvest for the iron, building and railroad industries.

Today we see vast areas of green trees throughout the Commonwealth. All that green hides the underlying peril our trees are in. I ask that you continue the great work of past legislators to keep our forests, parks, forest industry and the forestry agencies and entities healthy and sustainable.

Positive & Negative – Landowner outreach is among the stated goals of the PFA, SFI, PFPA, the HUGs, The Center for Private Forests at Penn State, DCNR, PGC, PA Parks & Forests Foundation, Chesapeake Bay Foundation and the many conservancies in the state, among others. All these groups together and individually work hard to help people manage their forests. They make strides every year and without them the state of PA forests would be dismal. And yet, it has not been enough to get the message out to the wide audience of 750,000 private forest landowners. There is not enough support for private forest landowners to learn about forest management or to enable them to take steps to manage their forests sustainably. More needs to be done to get people on board through public information, loans and grants, landowner and public education, support of the industry, hunter education, municipality education, support of carbon sequestration, urban and riparian buffer planting, markets and marketing and just plain creating an environment where all Pennsylvanians value and are proud of our forest resources.

Thank you again for this opportunity to address your committee. I welcome any questions you might have and will answer to the best of my ability.

Mark Ott