

November 1, 2021

William Hohenstein Director, Office of Energy and Environmental Policy U.S. Department of Agriculture 1400 Independence Ave SW Washington, DC 20250

Docket ID No.: USDA-2021-0010

Dear Mr. Hohenstein,

The National Association of State Foresters (NASF) is pleased to provide official comments in response to the US Department of Agriculture's (USDA) request for information on the Climate-Smart Agriculture and Forestry Partnership Program.

NASF represents the directors of the forestry agencies in all 50 states, eight U.S. territories, and the District of Columbia. State foresters deliver technical and financial assistance to private landowners for the conservation of more than two-thirds of the nation's forests. They also partner with federal land management agencies through cooperative agreements and Good Neighbor Authority to manage national forests and grasslands. All state forestry agencies share a common mission to protect America's forests and most have statutory responsibilities to provide wildland fire protection on all lands, public and private.

Climate-Smart Agriculture and Forestry Partnership Program Questions

1. How would existing private sector and state compliance markets for carbon offsets be impacted from this potential federal program?

Private industry is already conducting carbon project marketing, development, verification and monitoring, and USDA should support these existing voluntary markets by cooperating with the private sector and state compliance markets to encourage alignment with the Departments goals and objectives for promoting a healthy and sustainable forest resource. The long-term goal should be to see this industry grow and become fully sustainable.

USDA should not create its own standards or protocols, or a standard-setting body that could create confusion and duplication with existing markets; rather it should focus on creating partnerships among government agencies, landowners, and the private sector to create improvements in participation, integrity, and equity across the value chain. Access to verification services is especially limited for private forest landowners, impeding their entry to markets and their incentive to coordinate with other owners to lower costs, better manage risks, and meet program scale and quality requirements.

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USDA should engage and leverage other USDA programs to reduce the uncertainty and lower transaction costs landowners face in participating in carbon markets. Through USDA's landowner assistance programs, including programs within the Natural Resources Conservation Service (NRCS) and Forest Service's State and Private Forestry (S&PF) programs delivered in partnership with state forestry agencies, the Department is capable of advising landowners as to the credentials of businesses operating within the carbon market arena.

Through these landowner assistance programs, the Department (in partnership with state forestry agencies) may need to fill in some gaps in terms of services available while the carbon markets industry matures including:

- Aggregating land ownerships to create scale
- Preparing carbon project management plans
- Implementing existing protocols for verification of carbon additionality
- Project monitoring
- Assisting with pilot programs such as those ongoing by the American Forest Foundation and the Nature Conservancy
- In some states or regions, a more permanent role for state forestry agencies may be necessary for landowners to realize access to carbon markets
- Improving access to price information, mechanisms to encourage scaling and risk sharing against reversals, and science-based tools to improve the efficiency of the verification processes and training of technical service providers and verifiers

2. In order to expand markets, what should the scope of the Climate-Smart Agriculture and Forestry Partnership Program be, including in terms of geography, scale, project focus, and project activities supported?

It is estimated that total forest carbon storage in the U.S. (including wood products) is 58.7 billion tons.¹ Each year, forests and harvested forest products capture between 600 and 700 million tons of greenhouse gas equivalents, offsetting roughly 12% of U.S. annual greenhouse gas emissions.² However, since 1990 for a variety of reasons, the annual net increase of carbon in standing forests has declined by nearly 10%. Active management of federal, state, and private forests is critical to creating and maintaining forests that are resilient to the threats posed by climate change, and ensuring our forests remain as carbon solutions rather than sources carbon emissions.

Timber harvest transfers carbon off the forest ecosystem and stores it in wood products like lumber. Residues from harvested wood can be used as an energy source in the many forms of biomass energy. With good, scientific based forest management, the forest remains forest—it responds and regrows—resulting in the uptake of carbon from the atmosphere once again. When we use wood products or bioenergy in place of fossil fuels, we avoid the permanent release of fossil fuel-based carbon into the atmosphere, also known as the substitution effect. As such, trees and the wood products produced from them should be considered "climate-smart commodities".

¹ Integrating forests and wood products in climate change strategies. UN-FAO Forestry Paper 177, 2016

² EPA Inventory of US Greenhouse Gas Emissions and Sinks; Chapter 6. EPA 430-R-20-002

The term "climate-smart commodity" is used to refer to an agricultural commodity that is produced using farming practices that reduce greenhouse gas (GHG) emissions or sequester carbon. Harvested climate-smart commodities should also be recognized for their long-term carbon storage qualities.

Forest markets –for both wood and carbon credits – are critical to maintaining the health and sustainability of forests in the U.S. Wood markets in particular, enable the carefully planned harvest of trees that is needed for forests to have appropriate stocking levels, balanced age classes, and species diversity. These managed forests are healthy forests, better able to withstand wildfire and pests, and more capable of sequestering carbon, providing clean air and water, wildlife habitat, recreational opportunities, and countless other benefits.

Eligible Activities

Different forest carbon markets recognize different activities to be eligible to generate carbon credits. Project developers, technical assistance providers, and landowners must be aware of which activities are eligible for participation in programs they are exploring. At a broader level, identifying primary eligible activities in the development of any forest carbon program is essential to generating greater landowner participation and ultimately increased environmental benefits. Eligible activities should include projects that promote Afforestation/Reforestation, Forest Management, Avoided Forest Conversion, Urban Forestry, and Harvested Wood Products (HWP), across all forested geographies — rural and urban, and in all regions of the country. Having one's forests eligible for forest carbon credits is not as simple as locking them away and not touching the land, and in many cases, this will not actually generate significant carbon revenue in the long run. Planting trees on open lands, including urban landscapes, as well as lands that were forested in the past but are not currently forested have been shown to increase carbon stocks in both tree biomass and soils. These methods are widely recognized by many current forest carbon programs. In addition, sustainable forest management can also provide quantifiable increases in carbon stocks through fire and insect/disease risk reduction. Carbon is also sequestered in HWP, such as dimensional lumber, and as such, can and should be included when determining eligible activities. Greater utilization of wood products could also replace more energy intensive building materials, such as steel, plastic, and concrete, leading to less overall greenhouse gas (GHG) emissions. Markets can also recognize the climate benefit of activities that prevent forestland conversion (i.e. – keeping forests as forests), which can be incentivized in the development of a proper Business As Usual (BAU) case (see response to question 6 for more information on BAU).

Carbon credit programs are not solely focused in rural areas. The City of Austin, TX and TreeFolks have worked in partnership with City Forest Credits to generate carbon credits to enhance urban tree canopy. And while forest carbon market projects are not generally on federal land, the National Forest Foundation has enrolled a tree planting program on federal land in a carbon registry.

3. In order to expand markets, what types of CSAF project activities should be eligible for funding through the Climate-Smart Agriculture and Forestry Partnership Program?

Projects should promote the production of climate-smart commodities and support adoption of CSAF practices. Examples may include:

a. Activities that develop standardized supply chain accounting for carbon-friendly products; activities that provide supply chain traceability; innovative financing for low-carbon fuel from agricultural feedstocks; or green labeling efforts, among others;

Keeping private forests working is essential to securing the economic, environmental, and social benefits trees provide to society at large. In order to retain and properly care for their forests, landowners need sources of revenue.

Markets for wood provide that source of revenue and are critical to maintaining the health and sustainability of forests in the United States. They enable the sustainable, carefully planned harvest of trees to optimize stand density and create age class and species diversity: characteristics that are critically important to enhancing wildlife habitat, forest resilience, and balanced harvest cycles.

Eligible project activities should include:

- Accounting for carbon benefits of building with wood, especially with wood sourced from sustainably managed private forests
- Supporting biomass/biochar market growth from sustainably managed private forests

b. Activities that supply grants, loans, and loan guarantees to producers for equipment needed to implement CSAF practices, or for capital-intensive CSAF technologies;

USDA should direct federal funding to state forestry agency and privately owned and operated tree nurseries and seed orchards to enhance capacity (infrastructure) and operations of these facilities to support reforestation efforts and growing the carbon stocks for CSAF.

Investing in these operations will ramp up production of trees and seedlings, ensuring a future supply to meet reforestation objectives. Additionally, a federal guarantee for a multi-year commitment to purchase tree seedlings from state and private tree seedling nurseries will spur production, support tree improvement systems and local jobs, encourage the use of new equipment and technology, drive collaborative tree planting projects in smaller communities.

c. Activities that test and evaluate standardized protocols that define eligible CSAF practices, quantification methodologies, and verification requirements, with an emphasis on minimizing transaction costs and operating at scale;

Despite their essential role in the management and sustainability of forested lands, small family forest owners are often left out of carbon market opportunities.

Carbon offset projects are typically developed on forested properties more than 5,000 acres, meaning many small family forest landowners are not able to participate. Many landowners lack

the technical expertise and have difficulty meeting the costs associated with participation in carbon markets.

There is a need to design and test new alternatives that allow a diverse set of private forest owners to participate in markets for carbon and other values. Carbon market opportunities have high up-front costs which create a barrier to landowner participation. USDA financial incentives in the form of loan or bond guarantees to back private investment for forest carbon projects would reduce barriers and increase participation by small family forest landowners in carbon markets.

USDA should focus on policies and actions that attract private capital and reward forest landowners for participating in market-based solutions for climate mitigation and resilience.

USDA should fund projects that create options for landowners by not disrupting growth and innovation in existing and emerging markets and that underwrite new approaches to partnerships for and among working lands that develop marketing, cost reduction, and risk management advantages for both sellers and buyers.

d. Activities that evaluate options for tracking climate-smart commodities, including bookand-claim systems and systems to record and register the GHG benefits generated through CSAF practices;

NASF supports the development of carbon inventory technology that is more affordable and user friendly. USDA could be helpful in improved data collection and technological innovations – remote sensing and other tools to streamline and facilitate estimation and landowner aggregation. We need to assemble the right people representing parts of the services supply chain to identify opportunities and solutions.

The Forest Inventory and Analysis (FIA) program provides crucial information to federal and state forestry agencies, industry, academic, and conservation organizations on a wide range of forestry-related topics. Increasingly, FIA is relied on to provide data on the state of the nation's largest carbon sink—our forests—making it an essential component of decisions regarding climate change mitigation and adaptation strategy. However, the demands for information on forest carbon are becoming more varied and at scales that are problematic to meet with the current design and capabilities of the program.

Additional statistical research capacity is required to develop and employ the complex cuttingedge statistical imputation and estimation procedures required to produce the level of accuracy that clients are demanding today for smaller geographic areas. The additional analytical capacity will focus research efforts to improve best applications and integration of remote sensing technologies within the FIA program and develop technologies to reduce costs and make it easier to measure and monitor forest carbon (especially for forest inventories and verification). Using imagery from advanced technologies, especially remote sensing platforms would improve products for decision making by policy makers and managers and enable forest owner participation in carbon crediting opportunities. The Resources Planning Act (RPA) Assessments and supporting technical reports produced by the Forest Service RPA research team represent a valuable set of scientific information that is underutilized by stakeholders interested in forests, carbon, and climate. Additionally, stakeholder engagement with the RPA Assessments has been lacking in recent years. In order to enhance utilization and strengthen the role of the RPA Assessments, Forest Service leadership should (1) prioritize engagement with external stakeholders to help direct more timely and responsive RPA research efforts on forest carbon projections and (2) respond to specific policy-relevant questions from interested stakeholders. In addition, USDA should continue to seek guidance from the expertise of modelers within the Forest Service that specialize in combined ecological/economic "futuring." The modeling work of these scientists is the best way to gauge the carbon impacts of proposed USDA policies in a way that adequately assesses potential economic feedbacks.

4. In order to expand markets, what entities should be eligible to apply for funding through the Climate-Smart Agriculture and Forestry Partnership Program? Given that the administrative costs of the Climate-Smart Agriculture and Forestry Partnership Program could be high if USDA were to contract with individual producers or landowners, it makes more sense to work with groups of producers and landowners. For example, eligible entities may include an agricultural producer association or other group of producers; State, Tribe, or unit of local government; a farmer cooperative; a carbon offset project developer; an organization or entity with an established history of working cooperatively with producers on agricultural land, as determined by USDA (for example, a nongovernmental organization); a conservation district; and an institution of higher education, including cooperative extension;

State forestry agencies should be included among eligible entities to apply for funding through the Climate-Smart Agriculture and Forestry Partnership Program. Some states have taken on active roles in carbon project development on private lands:

In Hawaii, a "grouped" reforestation carbon project is being developed through the Division of Forestry and Wildlife (DOFAW). Once DOFAW is officially certified they will be able to enroll other similar reforestation projects (including both public and private lands) across the State of Hawaii every time there is a verification completed (i.e. issuance of credits, at a minimum frequency of 5 years). DOFAW is certifying its forest carbon project with Verra through their Verified Carbon Standard and Climate, Community and Biodiversity standards.

In Virginia, as part of the Healthy Watersheds Forest Retention Program for the Chesapeake Bay, the State Forestry Agency is working with two localities to develop the legal documents and framework to begin landscape scale aggregation of carbon as a proxy for forestland retention and water quality improvement and achievement of TMDL goals in the Chesapeake Bay Watershed Implementation Plan.

Some states, like Michigan and Tennessee, are investigating and have even enrolled state forest lands in carbon offset programs. Other states have resources and/or authorities which are vestiges of previous policy interest in forest carbon and which are not in current use, but could prove integral in future policy developments:

The Oregon Department of Forestry has the statutory authority to create a carbon offset program which would be available specifically for forest carbon, but which has never been created.

The Georgia Carbon Registry was established in the mid-2000s, as interest in carbon markets was first beginning. The Warnell School of Forestry at UGA helped create carbon sequestration tables, and Georgia Forestry Commission provided initial training for consulting foresters that wanted to inventory projects.

5. In order to expand markets, what criteria should be used to evaluate project proposals for receiving funding through the Climate-Smart Agriculture and Forestry Partnership Program?

b. Should USDA establish a consistent payment per ton of GHG generated through these partnership projects as part of the project payment structure, or evaluate a range of incentive options?

USDA should be helping facilitate and support the creation of markets, not selling carbon itself or dictating a price for carbon.

6. In order to expand markets, which CSAF practices should be eligible for inclusion?

We offer the following information from NASF's <u>Forest Carbon Primer</u> as issues USDA should consider when developing eligible practices for inclusion in the Climate-Smart Agriculture and Forestry Partnership Program:

I. Carbon Offsets

Carbon offsets are any activity that compensates for the emission of greenhouse gases (GHGs). Forestry activities that represent climate solutions may be eligible for carbon credits. They include forest conservation, reforestation or afforestation, and improving forest management (see eligible activities section below). Carbon offset projects are issued carbon credits for the amount of carbon dioxide equivalent (CO2e) the project provides. Typically, one carbon credit is issued for one metric ton of CO2e.

II. Regulatory vs. Voluntary Markets

There are two distinct types of carbon markets; voluntary and regulatory markets. When discussions of forest carbon markets began decades ago, it was envisioned that a national regulated marketplace would be erected and serve as the go-to for project inclusion. It never materialized, and as a result, both regulatory and voluntary market options (all at sub-national levels) exist for landowners. Regulatory (a.k.a. compliance) markets exist where laws or regulations are enacted that limit or cap the quantity of GHGs corporations can emit. In the U.S., there are two regulatory markets: the California Cap and Trade Program and the Regional

Greenhouse Gas Initiative (RGGI), which includes several states in the East. There are also international compliance markets that recognize offsets generated in the U.S.

In the place of a national regulatory market, voluntary markets have grown. These voluntary markets are variable in price, conditions, duration, and other aspects. Corporations, in particular, have been very interested in demonstrating social responsibility by purchasing offsets for their emissions through voluntary markets. An increased focus on climate change will enhance this interest and lead to continued increases in voluntary market opportunities in the future.

III. Protocols and Standards

Protocols and standards define how forest carbon offsets must be developed in order to be legitimately exchanged. These "rules of the game" help provide consistency and credibility for carbon projects by addressing many of the key requirements listed below.

A. Registries and Exchanges

Carbon registries and exchanges operate as a marketplace for carbon credits. Before a carbon credit can be registered for sale, an independent third party must verify that an approved protocol was followed to measure the amount of CO2e. Upon successful verification, carbon credits are issued and tracked with a unique serial number to prevent double counting. This ensures that ownership, tenure, and use rights are legally documented and undisputed.

Project developers and/or carbon exchanges generally require landowners to enter into contracts before transactions can occur. These legally binding documents clearly define the delivery of carbon credits and include protections for both the buyer and seller. Important considerations include contract duration, credit issuance (ex. annually), requirements for strict adherence to any protocol(s), and penalties for contract violations. Contracts will most likely incorporate provisions on other concepts discussed in this section.

B. Carbon Pools

Central to any forest carbon marketing program is identifying the various carbon pools associated with the forestry offset project. For landowners to profitably participate in carbon markets, it is exceedingly important to identify the appropriate carbon pools required by the market and the inventory costs associated with each pool. The upfront inventory costs to enter the market are a major consideration. Dividing the project into various pools is important because of the need to utilize various inventory processes that are pool-specific.

Carbon accounting with pools helps eliminate de minimis pools for certain project types, optional pool reporting, and utilizing cost-effective inventory processes that are pool specific. Carbon pools generally include aboveground live biomass, below-ground live biomass, dead biomass, soils, litter, and HWPs. Deciding on which carbon pool to account for depends on the nature of the forestry offset project being implemented.

As a rule, carbon pools that are expected to significantly change over the life of the project should be quantified and reported. Generally, carbon pools that are not expected to changeover the life of the project won't be measured to avoid the costs associated with inventory, reporting, and verification.

C. Measurement and Monitoring

The method used to quantify forest carbon offsets is of critical importance. Any quantification method employed should balance precision and accuracy with cost effectiveness, so landowner participation is not deterred. Quantification methods can rely on forest inventories, growth and yield models, and reference tables (like the Energy Information Administration's 1605b guidelines).

Forest inventories, based on statistically sound designs can be used to accurately measure the amount of carbon stocks in a forest. Measuring all trees on a stand is simply not practical or cost effective and would severely limit landowner participation. Establishing plots that can be referenced in perpetuity is necessary to ensuring that qualified auditors are able to take accurate measurements year after year.

Approved growth and yield models can also help predict change in carbon stocks with accuracy, as long as reasonable true-up intervals are utilized. Accounting for the carbon in HWPs, either through monitoring or modeling, is important for a full picture of the carbon benefits of a landowner's management regime.

D. Baselines and Additionality

In order to generate marketable GHG emissions reductions, a project must sequester carbon that is in addition to what would have occurred in the absence of the project. "Additionality" is shorthand for this condition; it refers to a project's ability to sequester additional carbon over a baseline. Historically, nearly all markets for certified forest carbon offsets have required some documentation of additionality. However, stakeholders are now considering whether to recognize "early adopters" of carbon-beneficial activities that may have been performed prior to being monetized for carbon.

Establishing additionality is a critical step in determining the validity of a project, since credible carbon (i.e. carbon eligible for offset markets) is utilized to offset emissions generated elsewhere. Determining project additionality is often a controversial issue due to the difficulty in establishing baselines.

Protocols for establishing baselines utilize one of two approaches. The first approach, "businessas-usual (BAU)," compares increases in actual forest carbon stocks to reference levels of carbon stocks unaffected by project activities. The reference case is projected into the future in order to measure actual forest carbon sequestered over time. The BAU baseline sets a performance standard that projects must exceed in order to generate credible carbon. A BAU baseline may be either project-specific (i.e. a reference case is formulated for a particular tract of forestland) or ecosystem-specific, in which project carbon stocks are compared to regional estimates of carbon sequestration for particular ownerships, age classes, and species composition.

It is important to consider that BAU baselines, when applied to forest projects on private lands, are confounded by several important ecological, political, and socio-economic factors unique to land use. In order to prove carbon sequestration that "would have happened anyway," a landowner must establish a projection of carbon stocks many years (often decades) into the future; incorporating myriad assumptions about future impacts, market demand for forest outputs, forest laws, tax policy, and payments for other ecosystem services. Developing a baseline that successfully integrates these factors can result in dubious

baselines. Most notably, non-industrial private forests in the U.S. are under increasing threat of conversion and development. How to incorporate the effects of land-use pressures into development of BAU baselines is a difficult and subjective process to consider.

The second baseline approach, "base-year," compares project-specific measurements of carbon stocks from one period to the next. The year in which the initial measurement of carbon is made provides the reference—or the "base year"—to which future carbon stocks are compared. Increases in carbon storage over the base year are considered credible carbon. The base-year approach does not rely on complex assumptions about landowner intentions, market forces, or policy. Instead, only one assumption is made: all forest carbon stock changes (both increases and decreases) are the result of management actions undertaken by the landowner. Carbon stocks are measured at one point in time, then again at another point in time using the same methodology. Increases in carbon stocks are awarded as credible carbon, while decreases are compensated for per the contract.

E. Permanence

Permanence addresses the degree to which sequestered carbon is "permanently" removed from the atmosphere. The working definition of permanence, like additionality, is central to the controversy surrounding forestry offset projects. After all, "permanent" can be defined as equal to the duration of the contract.

Long-term atmospheric carbon removals and accumulated carbon storage reversals can be caused by natural disasters such as wildfire, hurricanes, or insect and disease, or even over maturation, which leads to deterioration and death. An insurance or risk-pooling mechanism is almost always put in place to offset these losses, should they occur. Examples of such mechanisms include:

Buffer pools, which can hedge risk by placing a percentage of issued credits into a savings account.

Insurance, which can ensure payment to the landowner or the credit purchaser. As with any risk-based transaction, insurance can be purchased whereby if the carbon project is all, or partially, destroyed the landowner may still be able to receive some payment, and/or the purchaser able to recover some part of what was paid.

Like-kind pools, in which forestland managed for carbon sequestration serves as are placement reserve for projects that generate and sell carbon credits.

Biological risk management, which could include forest management activities that reduce the risk of wildfire, pests, and disease.

To encourage the typical private forest landowner's participation in any carbon market, balancing concerns over carbon sequestration permanence with logistical and economic feasibility is key. Short-term contracts are more attractive to private landowners entering the market space and long-term contracts or conservation easements are likely to deter them

F. Leakage

Leakage occurs when a carbon sequestration project causes unintended increases or decreases in GHG emissions elsewhere. Leakage may have impacts at a regional, national, or international level, making the quantification of this secondary effect difficult or impossible. There are different types of leakage, including:

Internal leakage, which occurs when activities undertaken on a portion of a forest ownership result in changes in GHG emissions on a different portion of the same ownership (ex. a landowner reduces harvesting in one area while increasing harvesting in another area).

External leakage, which occurs when one forest owner's carbon sequestration activities result in another landowner changing their behavior in a way that increases GHG emissions.

Market leakage, a type of external leakage, which occurs when a forest project reduces the availability of a good, thereby transferring market demand to other forests.

Activity-shifting leakage, which occurs when a project does not replace a land-use activity, but displaces it to another location.

Positive leakage, which occurs when one landowner's activities have a positive impact on carbon sequestration in other forests.

There is general agreement that internal leakage can be addressed by the landowner's reporting of all harvests, plantings, mortality, and growth across his or her total acreage. However, this approach may be difficult to implement practically in instances when the landowner owns forestland in multiple counties or states.

Determining the direct impacts of one landowner's decisions on other landowners, or broader market impacts, is exceedingly complex. As a result, some programs choose to ignore external sources of leakage. Those programs that have adopted methodologies for estimating leakage are not consistent with one another or rely on limited data sets.

G. Verification

Verification is critical to determining the validity of forest-based offset projects. This aspect provides additional protection to the buyer and seller to ensure that any carbon credit transacted follows all rules, protocols, and standards. Qualifications of the verifying organization, methods used, and frequency in which verification takes place must be documented to enhance the legitimacy of these projects. There are a number of ways verification can be conducted in terms of methods and frequency, but the importance of independent, third party organizations in providing this service is paramount. Generally, on-and off-site verification is conducted at project origination, project completion, and during specified intervals throughout the project.

H. Aggregation

It is widely recognized that the transaction costs of entering a carbon market are very high and present significant financial barriers to smaller landowner participation. Research suggests that 5,000 acres is the smallest acreage at which carbon projects are economically feasible. With "aggregation," an entity with sufficient upfront capital will set up contracts for multiple landowners and one buyer, thereby reducing the transaction costs for the individual landowners. Aggregation can boost landowner participation and help realize greater landscape-scale benefits, but including "an aggregator" can also add time and complexity to forest carbon project development.

I. Co-benefits, Stacking, and Bundling

The activities associated with increasing carbon stocks frequently have co-benefits, such as protecting water quality or quantity and enhancing biodiversity. In limited circumstances, additional payments may be available to a landowner through stacking (or bundling) the total suite of environmental services being provided.

8. How can USDA ensure that partnership projects are equitable and strive to include a wide range of landowners and producers?

a. How can the Climate-Smart Agriculture and Forestry Partnership Program include early adopters of CSAF practices?

Forest landowners who manage their lands in a way that keeps forests as forests have always been implementing CSAF practices. USDA should consider ways of including early adopters who've long practiced climate smart forestry, and have been "doing the right carbon management" for a long time but may be excluded under additionality concerns.

If we want to keep forests as forests, and avoid conversion/fragmentation, USDA should encourage rewarding those landowners to continue practicing CSAF.

Forest landowners who have management plans should be considered eligible for participation in USDA supported climate solutions.

b. How can the Climate-Smart Agriculture and Forestry Partnership Program be designed to ensure that benefits flow to historically underserved producers?

There are numerous issues that create inequitable access to USDA programs for historicallyunderserved, largely minority forest landowners. The issue of heirs' property, in which multiple heirs own property in common due to the absence of a will(s), is a significant barrier to keeping forests intact. Heirs property issues also affect access to USDA programs (due to lack of clear title to the land), and in the worst cases, lead to the loss of a farm or forestland that may have been in a family for several generations.

USDA programs should recognize in their policies this long-standing institutional barrier to minority land ownership. Additionally, USDA assistance should be targeted to help historically underserved communities receive both farming and forestry assistance, as well as legal assistance to resolve title issues. The Forest Stewardship Program can be a vehicle to support state forestry agencies and non-profits working in this space to reach historically underserved landowners. An example of this important work is the Sustainable Forestry and African American Land Retention Program, a network of eight non-profit organizations across the South working to help landowners address heirs' property and land retention issues and responsibly manage their forests.

c. How can the Climate-Smart Agriculture and Forestry Partnership Program be designed to ensure that benefits flow to historically underserved communities?

Nationwide, trees in towns and cities help maximize the lifetime of grey infrastructure, like stormwater systems, and are proven to bolster local economies, sustain green jobs, lower energy production, improve human health, and bring communities closer together. The USDA has an opportunity to enhance the benefits of urban tree canopies, particularly in socioeconomically disadvantaged neighborhoods, by prioritizing urban and community forestry (UCF) projects.

Thank you for the opportunity to provide written comments.

Sincerely,

Clutch F. Marte

Christopher Martin NASF President Connecticut State Forester

For questions please contact: Robyn Whitney Policy Director National Association of State Foresters <u>rwhitney@stateforesters.org</u>