

Empire State Forest Products Association Our Views 2021 ACCOMPLISHMENTS

Advocacy regarding public policy which may affect New York's Forests, forest products industry and forest landowners is the primary goal of the Empire State Forest Products Association (ESFPA). As a member driven trade association, we are responsible and accountable to our 400 member businesses and individuals. Documenting our accomplishments on those matters important to our members is something your Board and staff take seriously, and we take great pride in sharing with membership.

The following documents the accomplishments of ESFPA during the New York State 2021-22 Legislative Session through December 2021. We report this in the same way we present "Our Views" in our biennial publication which guides us in our work with the New York State Legislature, government agencies and our Congressional delegation.

ESFPA is the voice of the forest products industry in Albany and beyond, representing "the people behind New York's healthy forests and quality wood products."

Agriculture/Silviculture

- Supported and secured funding of the Wood Products Development Council under the Environmental Protection Fund at \$200,000 which was included in the enacted SFY 2021-22 Budget. NYS Department of Agriculture & Markets also awarded \$1 million through the WPDC to Cornell Cals and SUNY ESF for forest market and management related projects.
- 2. Opposed legislation A. 5731 Glick)/S. 4007 Breslin) relating to reduction of acreage for clear cuts within the Adirondack Park and cumulative impact assessments of Working Forest Conservation Easement.
- 3. ESFPA collaborated with AF&PA and the Canadian Forest Products Association and Canadian Consulate on legislation (A. 6872-Zebrowski/S. 5921 Krueger) that would prohibit state agencies from procuring Canadian forest products harvested from Boreal forests. The coalition will continue to work together in 2022
- 4. Successfully worked on amendments to the 2021 Lake George Park Commission regulations regarding timber harvests of 5,000 sq. ft. or larger. Regulations for stormwater controls and stream protections left timber harvests unregulated but do require a pre-harvest filing of a "Notice of Intent" with the LGPC.
- 5. Participated in stakeholder discussions and comments on Conservation Subdivision Design legislation within the Adirondack Park (A. 40 -Englebright/ S. 1145 Kaminsky). ESFPA is not opposed to the bill as drafted so long as silviculture and forest management is allowed as of right. The stakeholders came to a consensus in 2019 on language as drafted although some interests remain opposed. The legislation has not passed in either the Assembly or Senate.
- 6. Supported the federal Timber Innovation Act which works to develop new markets for timber in areas such as mass timber.

7. Supported the American Forest Foundation's Rural Forest Markets Act (RFMA) establishing a funding mechanism for the sale of carbon credits from Family Forests. ESFPA worked to have Representative Elise Stefanic as a co-sponsor.

Climate Change

- ESFPA Executive Director John Bartow, Board member Tom Gerow and Member Donna Wadsworth served on the Agricultural & Forestry Advisory Panel of the Climate Action Council (CAC). The Advisory Panel presented recommendations to the CACin June of 2021. Most, if not all, of the recommendations will be included in the CAC draft Scoping Plan to be released in January 2022.
- Engaged with the DEC and NYS Energy Research & Development Authority in several forest and wood products roundtables in 2021 to present the CLCPA and the role of forests and wood products in climate change.
- 3. The role of role of forests and wood products manufacturing was a major focus for climate change policy in New York for 2021. ESFPA organized and sponsored three virtual presentations on draft recommendations impacting our sector as the Ag. & Forestry recommendations were being developed: April 14 Forest Management; April 28 Avoided Conversion; and May 5 Bioeconomy.
- 4. Commented on draft regulations for establishing 1990 base level emissions for Greenhouse Gases (6 NYCRR Part 496) and 2030/2050 emission reductions called for in the CLCPA. Supported DECs call for recognizing carbon sequestration in forests and harvested wood products when annually reporting on emissions going forward.
- 5. Commented on the proposed "Establishing a Value of Carbon: Guidelines for Use by State Agencies" which implements the requirement that State agencies conduct a cost benefit analysis of their actions (regulatory and otherwise) prior to acting.
- 6. Commented on the California Advanced Transportation Standards being promulgated by NYS DEC. These regulations would require 30% EV sales for light and medium duty vehicles by 2030 and increasing annually to 75% or greater by 2050.
- 7. Executive Director John Bartow has been appointed a Sector Advisor to the second NYS Climate Assessment. The Climate Assessment is focused on climate adaptation and mitigation as opposed to emission reductions which is the primary focus of the CLCPA and Scoping Plan.
- 8. Served on the National Alliance of Forest Owners (NAFO) Air Task Group which is influential in shaping NAFOs climate policies.
- 9. ESFPA Executive Director continues to serve on the American Forest Foundation (AFF) Woodland Operating Committee. Also sponsored an AFF for a federal Climate Policy discussion at one of the 2021 Regional Meetings.

Economic Development

- 1. Continued to work with the Executive Chamber on maintaining the "Essential Businesses" designation for forest product businesses across the forest sector in Pause NY. Also assisted member businesses in developing compliance plans for the Re-open NY phase in 2021.
- 2. Worked with ESFPA member businesses on compliance to the 2021 enacted HERO Act and several State mandates related to COVID in the workplace.
- 3. ESFPA continues to have a seat on the Adirondack North Country Association Board of Directors. Executive Director John Bartow was elected to a term as Capital Regional VP for the Board.
- 4. Supported efforts at both the State and federal level to increase investment tax credits for capital investments in the forest products industry and making such credits equitable across industry sectors.

5. Worked with SUNY College of Environmental Science & Forestry on the Climate and Applied Research Institute (CAFRI) proposals for New York's Bioeconomy. This is becoming a major goal of the CAC Scoping Plan.

Education/Workforce Investment

- 1. Helped secure SFY 2021-22 funding for and participated in the Logger Training School at Paul Smiths College in August 2019.
- 2. Worked with the Workforce Development Institute (WDI) on securing a Northern Border Regional Commission Grant of \$600,000 for workforce training in 2021-2022. \$50,000 for New York Logger Training and the balance to broader workforce initiatives across the wood products sector was managed by ESFPA in 2021.
- 3. ESFPA continued discussions and support of workforce related efforts at SUNY ESF and SUNY Morrisville.
- 4. ESFF continues to host and support Project Learning Tree (PLT) and work with the NY SFI SIC on targeted efforts at attracting youth to careers in the forest and wood products sector.

Energy

Carbon

- Supported Federal budget language enacted into law in the FFY 2019, 2020 and 2021 budgets recognizing biomass as "carbon neutral". 2020 was the fourth year of temporary budget language while we work toward a permanent definition of biomass carbon neutrality by EPA.
- 2. Worked with NAFO and other national affiliates on several climate initiatives including climate priorities for the Forest Climate Working Group and the NAFO CEO Policy Principles. Both efforts lay out a priorities and policy principles that call for rewarding the carbon benefits of wood building products, funding for forest carbon science and data collection, and incentives for working forests that sequester carbon.

Biomass

- Supported legislation (A. 862 Woerner/S. 2962 Parker) which establishes the NYS Clean Fuel Standard, a technology neutral program to support clean energy fuels in the transportation sector, including biofuels. The Clean Fuels Standard is being considered by the CAC for inclusion in the Scoping Plan.
- 2. Supported State and federal legislation which recognizes biomass as a renewable energy resource and providing carbon benefits.
- 3. Supported legislation (A. 497 Jones/S. 1699 Gallivan) establishing a personal income tax credit for residential use of densified pellet fuels.
- 4. Supported efforts in New York and the Northern Forest Region in education, outreach, and marketing of the benefits of biomass energy alternatives and the economic benefits of locally derived fuel.
- Partnered with the Northern Forest Center on the Automated Wood Heat program to market and promote the use of densified wood pellet heating systems in residential, commercial, and institutional buildings.

Energy Costs

- 1. Supported the Senate SFY 2021-22 proposals to repeal and retire the Section 18-a energy gross receipts.
- 2. Provided testimony and correspondence on the costs of energy and to rate payers on implementation of the CLCPA.

Renewable Energy

1. Opposed legislation (A. 3874 – Cusick/S. 659 – May: Passed Senate) which would allow energy projects (wind, solar) and transmission lines on State Reforestation Areas. ESFPA suggested this align with the recommended "no-net-loss of forest" policy being considered by the Climate Action Council.

Environment

Environmental Regulation

- 1. Supported regulatory efforts of DEC to streamline the Forest Tax Law (RPTL section 480-A).
- Supported continued record funding in enacted SFY 2021-22 Budget for the Environmental Protection Fund. \$300 Million included in SFY 2021-22 enacted Budget. Secured line items for the Wood Products Development Council (\$200,000), Regenerate NY (\$500,000), Community Forests (\$500,000), Hemlock Wholly Adelgid (\$500,000) and Easements for Land Trusts (\$1.5 million).
- 3. ESFPA collaborated with AF&PA, International Paper and WestRock on the Extended Producers Responsibility (EPR) Act, S. 1185 Kaminsky and a similar A. 5801 Englebright. ESFPA has opposed the inclusion of paper and paper packaging in this legislation. The coalition continues to advocate collectively and will so in 2022.
- 4. Opposed legislation (A. 7850 Englebright/S. 5116 C Harkham; Passed Senate) which would extend DEC regulation of wetlands down to 1 acre in size and amend the process for filing maps of regulated wetlands and remove a 50 year silvicultural exemption. Succeeded in getting an amendment to S-5116-C restoring the silvicultural exemption. ESFPA supported with this change.
- 5. Participated in stakeholder discussions and comments on Conservation Subdivision Design legislation within the Adirondack Park A. 4074 (Englebright)/ S. 1145 Kaminsky. ESFPA is not opposed to the bill as drafted so long as silviculture and forest management is allowed as of right. The stakeholders have come to consensus in 2019 on language as drafted although some interests remain opposed.
- 6. Commented on proposed Lake George Park Commission stormwater and stream protection regulations (6 NYCRR Part 646) which would regulate timber harvesting in the Lake George Basin. Final regulations were adopted by LGPC in 2021 with no regulations on timber harvests but requiring prior Notice of Intent before commencing a harvest.

Endangered Species

- 1. Supported efforts by the DEC to streamline standards and regulations (6 NYCRR art 182) for the protection of rare, threatened, and endangered species and aligning state standards with federal standards.
- 2. Supported federal regulatory changes to the Endangered Species Act. In late 2019 we saw proposed changes to the Endangered Species list which ESFPA commented on.
- Participated in a NAFO and U.S Fish and Wildlife Service panel with NYS DEC regarding efforts to manage forests for the restoration of Species of Greatest Conservation Concern. Efforts to improve habitat and species numbers prior to designation on the federal or State endangered species lists.

Invasive Species and Forest Pests

- 1. Worked with DEC and DAM on information regarding Spotted Lantern Fly which was found in New York in 2021.
- 2. Opposed a variety of bills which would limit the sale, use or distribution of pesticides and herbicides such as neonicotinoids and glyphosate.

- 3. ESFPA collaborated with NYFB and several agricultural associations on the Neonicotinoids legislation (A. 7429 Englebright/S. 699-B Hoylman; Passed Senate) to stall or amend the provisions impacting agriculture and silvicultural use of neonicotinoids. ESFPA also testified at the Assembly Environmental Conservation hearing on neonicotinoids on September 20, 2021. We worked with NRDC and NY Audubon on language to amendments to exempt forest use of neonicotinoids which we are working to get introduced.
- 4. Continued to oppose guidance and regulations designed under "Tree SMART Trade" which would unduly regulate solid wood pallets and packaging while supporting those recommendations which could have a positive impact on the importation of new forest pests.

Open Space Conservation

- 1. Supported the legislation (A. 5390 B Fahy and similar S. 6191 Kaminsky) that would establish a conservation goal of conserving 30% of the State's landscape by 203 ("30 by 30") through fee and easement acquisition. The Assembly version of the bill was amended in late session to eliminate working lands from the definition of conserved lands. In effect, making working forest conservation eased lands not part of the goal.
- 2. Supported legislation (A. 201 Gunther/S. 1932 Ritchie) which would provide strong liability indemnification to landowners who permit recreational use of their lands.

Water Quality/Source Water Protection

- 1. Opposed legislation on the regulation of streams (A. 6652 Englebright/S. 4167 Harckham) which would have added all Class C streams to DEC's Protection of Waters Program. ESFPA is working with NYFB on an amendment to exempt agriculture and silviculture practices.
- 2. Supported new lines in the Environmental Protection Fund aimed at watershed protection funding including the acquisition of easements or in fee which would also allow forest management.

Wildlife

1. Opposed legislation (A. 456 – Rosenthal L/S. 2176 – Sepulveda) which would include wildlife animals as those subject to animal cruelty provisions of existing law. Provided amendment language to Assemblywoman Rosenthal's LD.

Forest Markets

- 1. Worked with the Hardwood Federation and other national trade associations on ways to develop domestic markets in lieu of lost international trade markets. Served on the advisory board of the Real American Hardwood Marketing Campaign in 2021.
- 2. Supported the Wood Products Development Council efforts aimed at increasing the use of wood products from forests for green building (including green schools).
- 3. Worked with NYS DEC and Ag. & Markets on climate related proposals related to the use of wood as a substitute for more carbon intensive products such as concrete and steel.

Labor/Human Resources

- 1. Opposed legislation (A. 4947 Hermelyn/S. 621 Sanders) known as Carlo's Law which would change the penalties and fines for worker death or injury. The legislation would make certain offenses felony charges and extend liability to supervisors and managers.
- 2. ESFPA worked with a coalition of NY business and manufacturing associations in opposition to the Hero Act (A. 7477 Reyes; Passed Assembly/ S, 6768 Gianaris; Chapter 142) which ultimately was enacted. The coalition continues to assist businesses in compliance since the designation of COVID as a covered infectious disease.
- 3. ESFPA is working with the Business Council of NY on budget mechanism to help businesses recover from high unemployment premium adjustments as a result of massive UI claims in 2020 and 2021.

Manufacturing

- 1. Supported work of the Industry Advisory Panel of the Climate Action Council calling for attention to Energy Intensive and Trade Exposed (EI/TE) industries. This is a priority of ESFPA and the Business Council of New York and a major piece of the final enacted CLCPA.
- 2. Advocated for Marginal Cost Abatement accounting included in the enacted CLCPA. This accounting helps to ensure that carbon costs reflect impacts on industry. Marginal Cost Abatement accounting was included in DEC's report on "Establishing a Value of Carbon: Guidelines for Use by State Agencies"

Taxation

Real Property Taxes

- 1. Supported DECs administrative efforts to reform Real Property Tax Law on forest lands (RPTL 480-a) aimed at streamlining regulatory requirements. These administrative regulatory changes were drafted in 2020 but not yet released. Legislative changes to 480A are being considered by the Climate Action Council in 2020.
- 2. Supported favorable tax incentives at both the State and federal level which recognize the long-term benefits of working forest conservation easements.

Income/Franchise/Estate Taxes

1. Supported adjustments to both federal and State estate tax limits.

Tax Credits

- 1. Supported legislation (A. 787 Woerner/S. 5181- Stec) that would establish a forestry stewardship and habitat conservation credit (personal income tax credit) for landowners who invested in forest and habitat conservation practices.
- 2. Support equitable tax credits for all business research and development and investment tax credits that are equitable across business sectors.
- 3. Supporting recommendations to the Climate Action Council for forest carbon tax credits.
- 4. Hosted a Family Forest Carbon Program with the American Forest Foundation and The Nature Conservancy regarding the AFF pilot Family Forest Carbon Program.

Transportation

- ESFPA has worked with Team Safe Trucking on new programs for the recruitment and retention
 of truckers in the forest products sector. We have also worked with WDI to see if there will be
 efforts to integrate some Team Safe Trucking into the new Workforce grant obtained by WDI to
 start in 2021.
- 2. Monitored the Transportation Climate Initiative (TCI) being developed by many of the Regional Greenhouse Gas Inventory states. In November 2021 Massachusetts dropped the TCI initiative and it appears most states will as well.