



# Empire State Forest Products Association

*The people behind New York's healthy forests and quality wood products*

47 Van Alstyne Drive / Rensselaer, New York 12144 / p: 518-463-1297 / f: 518-426-9502

[www.esfpa.org](http://www.esfpa.org)

## ***"Our Views"***

*"Our Views"* reflect the values and strategic focus of the Empire State Forest Products Association (ESFPA) toward government policy (federal, state and local) which has the potential to benefit or hurt New York's forests, forest product industries or forest landowners.

The forest products industry employs approximately 100,000 men and women in New York and is built on the principles of sustainability; producing products and energy from a renewable resource; creating family supporting jobs in all regions of the State; managing our forests in a manner that sustains and enhances the ecosystem benefits of clean air and water, carbon sequestration, wildlife habitat, and open space. ESFPA members manufacture essential paper and wood-based products that are used daily by people in our state, country and around the world. ESFPA members also own and steward thousands of acres of forests that support our manufacturing sector and execute sustainable forest management practices that ensure a continued supply of timber and forest related products for generations to come.

We support market-based policies and regulations that foster economic growth, job creation, and international competitiveness in this economic sector. We believe public policies are most effective when they meet the economic needs, environmental concerns, and social expectations of our diverse communities. *"Our Views"* are more general than the Association's targeted and specific priorities for annual budgets or our position on a specific policy, regulation or law and are intended to present our platform for existing and prospective members and public policy makers.

### **Agriculture/Silvicultural:**

As New York continues to advance policy and programs which emphasize and promote the use of New York based agricultural and forest products and secondary processing of such products as a tool for economic development, the ESFPA endorses measures which include forests, silvicultural and forest products as a component of agriculture. Specifically, ESFPA:

- Supports legislation that includes "silvicultural" in the definition of agriculture and agricultural products.
- Supports efforts to strengthen the role of the Wood Products Development Council in the development of forest related policy, markets, and trade.
- Supports the State's Right to Practice Forestry law and efforts to strengthen the private property rights of silvicultural practices and forest management on private forest lands.

- Opposes State and local efforts which diminish the private property rights of forest landowners and their forest management operations or would treat forest management and silviculture as a land use as opposed to a recurring and renewable land-based activity.
- Opposes State or local efforts to regulate timber harvesting or forest management unless there is well documented public need and broad stakeholder support.

### **Economic Development:**

As New York works to improve its overall business climate, ESFPA backs measures that support new investment in forest products businesses and industries. Specifically, ESFPA:

- Supports policy which would place a preference on the State’s procurement of New York grown and produced forest products.
- Supports the extension and increase of the investment tax credits for capital investments or research investments in industry and businesses that are equitable across all sectors.
- Opposes legislation to impose significant new procedural requirements on wages or compensation.
- Opposes legislation which would hinder the export of forest products to other countries.

### **Education/Workforce Development:**

ESFPA supports innovative educational models to better prepare students for entrance into college and/or careers in forest related sectors. Specifically, ESFPA:

- Supports the continued expansion of technical training programs and increased funding for young worker employment in manufacturing, forestry and “trades” occupations.
- Supports continued development of alternative pathways to graduation (i.e., CTE, STEM).
- Supports funding for incumbent manufacturing employment training and specialty related training in forest sector jobs (e.g. logging, truck driving, heavy equipment operation, forestry).
- Supports metrics that measure the effectiveness of existing workforce training investments in meeting regional workforce needs.

### **Energy:**

Reducing energy costs, promoting adequate and diverse energy supplies, and allowing competitive markets to generate alternative energy investments will help support economic growth. In addition, development of “low grade” biomass markets is an important market that helps forest landowners and all other wood markets. With these goals in mind, the ESFPA:

## ***Carbon***

- Supports public policies that recognize the carbon benefits of biomass whether for energy, construction materials or forest or wood product carbon sequestration.
- Supports policy and legislation that recognizes that forest product manufacturing residuals, harvest residuals and thinning's do not increase and can even reduce overall carbon in the atmosphere.
- Supports the creation of market-based opportunities for forest landowners to sell carbon sequestration and storage.
- Supports new market opportunities, policies and incentives that increase the use of wood as a substitute for more carbon-intensive fuels and materials such as coal, natural gas, steel, and concrete.
- Opposes efforts to impose new taxes on fuel carbon content or other carbon dioxide emission taxes that do not recognize the benefits of biogenic carbon.
- Oppose policy on carbon that does not recognize the role of forests and wood products as part of what is referred to as "natural solutions to climate change".

## ***Biomass***

- Supports policy and regulations that recognize biomass as a renewable energy resource and highly efficient combined heat and power (CHP) or co-generation technology.
- Supports the use of biomass from sustainably managed forests for renewable energy, recognizing the important carbon benefits of this energy source through appropriate accounting that is based on lifecycle greenhouse gas emissions and sustainable forest management.
- Supports the State's Clean Energy Standard for renewable biomass energy production and inclusion of a Tier 2 "Maintenance Standard" for biomass that work to supplement, rather than replace existing biomass facilities.
- Supports education and outreach programs that encourage the understanding of renewable biomass energy alternatives and the economic benefits of a locally derived fuel source.
- Supports sustaining and expanding commercially competitive energy infrastructure to produce and process woody biomass materials from New York forests.
- Opposes policies and programs that unduly discriminate against biomass renewable energy as compared to other renewable energy resources.

## ***Energy Costs***

- Supports a significant reduction in ratepayer assessments imposed by the Public Service Commission (PSC). Ratepayer funds should support the adoption of more cost effective and market driven solutions to achieving renewable energy and energy conservation objectives.
- Supports streamlining the regulatory process for the approval of new energy infrastructure. The Clean Energy Standard (CES) obligates the State to significantly increase renewable energy, which will require additional energy infrastructure. ESFPA supports efforts to build needed energy infrastructure in a timely and economically efficient manner.

- Supports the State’s economic development power programs (e.g. ReCharge New York) which provide low-cost power to companies spurring the local economy while securing New York’s clean energy future.

## **Environment:**

New York has vast, robust, and diverse natural resources that support an outstanding quality of life as well as a host of economic activities from forest products to tourism to recreation. New York State also has a complex and stringent environmental regulatory framework that imposes costs and operational restrictions on businesses and private landowners that impedes capital investment and job growth. To improve the State’s environmental regulatory climate, ESFPA:

### ***Environmental Regulation***

- Supports public policy and programs that recognize sustainable forest management, including timber harvest, and the benefits that forest management provides for forest diversity, health, and productivity.
- Supports public policy that recognizes that 75% (or over 14 million acres) of New York’s forests are owned and managed by private landowners.
- Supports the adoption of incentives for assisting private forest landowners in keeping their forests as forest and stewarding those forests for both economic and ecosystem benefits to all New Yorkers.
- Supports the simplification and ease of regulatory compliance by ensuring the State conforms with federal regulations wherever possible.
- Supports the adoption of legislative reforms to provide more certainty in project reviews, including clarifying the standard for complete applications; heightening the standard for issues to be subject to administrative adjudication; making adherence to State review timetables mandatory; and assuring the correct application of statutory and regulatory standards.

### ***Forest Land Conservation & Stewardship***

- Supports maintaining levels of funding for the Environmental Protection Fund (EPF), to promote economic development and promote State capital investments that protect the State’s air, land, water and natural resources, and expands recreation opportunities.
- Supports State and local land acquisition, with an emphasis on easements as opposed to fee acquisitions, which recognize working forests and the benefits working forest lands have to landowners, the economy and protection of natural resources.
- Supports State tax policies and cost share funding which encourage private forest landowners to undertake stewardship practices that benefit forest health and productivity.
- Supports State funding for the planning for, acquisition and stewardship of Community Forests owned by municipalities or non-governmental organizations.
- Supports the State’s investment in State owned forest lands and wildlife management areas including the “Young Forest Initiative”.

- Opposes expansion of the constitutionally protected Forest Preserve outside of key parcels which focus on acquiring in-holdings, adjacent areas that complete the function of existing holdings and a select few priorities for new parcels that are recognized in the Open Space Plan.

### ***Endangered Species***

- Supports State guidelines which streamline standards for the protection of threatened and endangered species with Federal standards.
- Supports the development of management practices that recognize the role that sustainable forest management, including timber harvests, can provide for habitat of threatened and endangered species.
- Oppose standards and regulations obstructing forest management operations that have contributed to the survival and improved habitat of threatened and endangered species or unduly limit seasons of timber harvesting.

### ***Invasive Species***

- Supports State investment into the Regional PRISMs (Partnerships for Regional Species Management) for public and landowner outreach, education and monitoring of invasive species and the role PRISMs have in establishing regional priorities.
- Supports strengthened efforts to address invasive forest pests and diseases which in New York State are more prevalent in both types and extent of spread than any other state.
- Supports mission critical program resources in agencies while also recognizing that inter-agency, inter-governmental and stakeholder communication, collaboration and planning can also be increased.
- Supports better integrated research and planning efforts both in understanding the biology of the threatened species and providing key science-based solutions.
- Recognizes that the best way to make on-the-ground impact and promote healthy, resilient forests is to empower private forest landowners with the necessary tools and resources to mitigate threats on their land.
- Supports programs and policies that engage private forest landowners and the public at-large in citizen science outreach and education campaigns.
- Opposes guidance and regulations which unduly focus on forest product management and operations where such operations are not the principle cause of invasive species presence or movement.

### ***Water Quality/Source Water Protection:***

- Supports water quality policies that implement voluntary best management practices to maintain water quality on forest lands.
- Supports State policy and programs aimed at protecting source waters, particularly for public and private drinking water supplies, and the recognition that forests and active forest management, including timber harvests, are beneficial to water quality.

- Supports water quality and source water protection incentives that are applied in a focused, concentrated approach in core geographic areas to ensure a greater impact on water quality protection.
- Supports acquisition of lands in both fee simple title and easements by the State, municipalities, and non-governmental organizations, so long as these efforts are planned for and recognize sustainable forest practices as beneficial for water protection.
- Supports the simplification and ease of water quality/source water protection regulatory compliance by ensuring the State conforms with Federal regulations wherever possible.
- Opposes water quality regulations that result in negative economic impacts and can undermine the ability of private forest lands to maintain forested watersheds.

### **Forest Markets:**

Diverse and strong markets for the forest product value supply chain are the single most significant driver in sustainable forest management. While incentives and even regulation can help advance sustainable forest management, good markets create the best incentives for landowners, forest managers and forest product businesses. ESFPA supports good policy and programs which:

- Support green procurement and green building efforts (including green schools) in New York State that encourages the use of wood products from New York forests.
- Supports the use Mass Timber building elements, including Cross-laminated timber (CLT), for the construction of buildings including tall buildings.
- Support private-sector consumer efforts that encourage use of wood products from forests.
- Support the provision of State resources to promote and educate public and private building entities to encourage the use of wood products.
- Opposes policy and program barriers and disincentives for using wood products, including but not limited to State and local building code standards.
- Opposes policy or programs which would impose Extended Producer Responsibility (EPR) of forest product manufacturers or importers which would place responsibilities (financial or physical) for the treatment or disposal of post-consumer forest products.

### **Labor/Human Resources/Workers Compensation:**

Employers need a stable Labor Law environment and the ability to design pay and benefit programs that fit their business, size, location, profitability, and competitive environment. To achieve these objectives, the ESFPA:

- Supports reforms to NYS Workers Compensation laws and regulations which reflect current prevention loss standards and compensation standards based on current medical practices.
- Supports reforms to NYS Department of Labor wage orders.
- Supports legislation adopting workable definitions of employee and independent contractors to reflect practical issues relative to employers.
- Opposes legislation imposing restrictions or employee pay mandates.

- Opposes restrictions on an employer’s ability to conduct reasonable and relevant background checks in the employment process; these include proposals to limit the use of credit checks, criminal backgrounds, prior wages and others.
- Opposes proposals for mandated leave including sick time, vacation time and other time-off.

## **Manufacturing:**

The manufacturing sector remains a critical component of the State’s economy. The forest products manufacturing sector remains in the top 10 manufacturers in New York. It is incumbent on lawmakers to enact policies and regulations that promote growth within this sector. With that in mind, the ESFPA:

- Supports lowering the thresholds for the Excelsior Jobs program “regionally significant manufacturing projects”.
- Supports expanded access to natural gas for manufacturing facilities, including dedicating State energy assessment resources to pipeline extensions, expediting the State review of applications for expansion of natural gas infrastructure.
- Supports the adoption of measures to provide price protection to large energy consumers from energy assessments; adopt a self-directed energy program with a cap on percentage energy assessments as a percentage of energy assessments; and exclude large energy consumers from the cost associated with residential customer system upgrades associated with Clean Energy Standard.

## **Taxation**

ESFPA supports broad-based tax reform, as well as enhanced credits focused on the forest products/business sectors and forest landowners. Our major tax reform proposals include the following:

### ***Real Property Taxes:***

- Supports revision and updating of New York’s Real Property Tax Law section 480a which addresses property tax shifts in taxing jurisdictions; lowers the acreage threshold for property enrollment; expands eligible lands beyond just “marketable timber” lands; removes the cumbersome State role in forest planning and monitoring of enrolled properties and, recognizes ecosystem benefits of forests and forest related lands.
- Supports forest land tax provisions that help working forest owners create jobs and timber markets, provide environmental and recreational benefits, help forests sequester carbon and help New Yorkers reach financial goals
- Supports legislation to extend the 2% real property tax cap and adjustment of the “tax base growth factor” under the real property tax cap to include value of property subject to PILOT agreements.
- Supports a favorable tax environment for long-term protection of forests with permanent tax incentives for working forest conservation easements.

- Supports tax incentives for endangered species, forest stewardship and habitat conservation on forest lands.
- Oppose taxes that discourage forest landowners from investing in or harvesting their timber.

***Income/Franchise/Estate Taxes:***

- Adopt small business income tax reform by increasing the Personal Income Tax business and farm income tax exclusion and allowing all small businesses to claim the exclusion.
- Decrease the net income tax rate for small businesses.
- At a minimum maintain the estate tax at \$5 million exemption and improve estate tax policies to protect the conveyance of forests in estate settlements.

***Tax Credits:***

- Support the adoption of a new and refundable research and development tax credit.
- Expand small business eligibility for Excelsior job credits by lowering the job creation and capital investment thresholds
- Support tax credits for carbon sequestration, conservation easement and habitat improvements on private lands.

**Transportation**

To support the State’s transportation industry and the statewide transportation infrastructure, ESFPA:

- Supports legislation to reduce or eliminate the Highway Use Taxes/Ton Mileage Taxes.
- Supports upstate/downstate parity in state investments in transportation infrastructure.
- Support the adoption of a Low Carbon Fuel Standard that includes bioenergy derived from biomass.
- Supports increasing the number of Divisible Load permits authorized in New York.
- Opposes regulations to implement truck route restrictions across the State, which will significantly increase the cost and time to operate a truck in New York.
- Oppose local regulations that require the bonding or permitting of town and county roads.

(Approved for use in the 2021-2022 Legislative Session 12/09/2020)