

**Maine Climate Council
 Natural and Working Lands Work Group Meeting
 Forest Carbon Subgroup Meeting Agenda
 Friday, December 15, 2023; 9:00 am – 12:00 pm
 DACF’s Bolton Hill Facility, 2870 North Belfast Ave., Augusta**

For Zoom attendees, register in advance here:
<https://us02web.zoom.us/join/zoom/register/tZYpc--uqj4tHdPZBNQaNi39pb7hDgTXhh7r>

Desired Outcomes - By the end of this meeting, we will have:

- Reviewed the history of forest carbon recommendation development
- Discussed progress made and/or existing barriers for each recommendation
- Chosen a few key recommendations to focus on during the update process
- Agreed on an approach to proposing concrete updates to the Open Space Tax Program
- Provided an opportunity for public input

Agenda

What	When
Welcome - Amanda, Tom Brief Introductions Working Agreements Review – Jo D.	9:00 – 9:20
History of Forest Carbon Recommendations – Jo D.	9:20 – 9:35
Rapid Assessment of each Forest Carbon Recommendation <i>Has it been accomplished?</i> <i>If not, why not (what specific barriers exist)?</i> <i>Where is there traction that can be built upon?</i> <i>How can we build equity outcomes into the recommendation?</i> Recommendations: <ul style="list-style-type: none"> • Review current harvest levels and carbon stocking data • Review practice-based carbon programs in the U.S. • Identify and incentivize a suite of climate-friendly forest management practices • Increase technical assistance to woodland owners to expand adoption of practices that increase carbon sequestration and storage (8 action items; 3 anticipated outcomes) • “Facilitate the development &/or adoption of a program to enable small woodland owners to store more carbon while maintaining harvest levels” 	9:35 – 10:45

<ul style="list-style-type: none"> • Identify incentives for high-quality, on-the-ground performance by loggers and promote the use of low-impact harvesting equipment (5 actions) • Update the Open Space Current Use Taxation program to incentivize climate-friendly land management practices • Explore opportunities for partnerships with large, commercial forestland owners • Consider opportunities to participate in multi-state forest carbon initiatives 	
Break	10:45 – 10:55
Opportunity Assessment – which recommendations merit our focus during this update process?	10:55 – 11:20
<p>Open Space Current Use Taxation Program</p> <ul style="list-style-type: none"> • Carryover bill and hard work by parties working on this currently • Bringing back under the umbrella of the NWL WG WITHOUT slowing progress or missing a legislative opportunity • Decide path forward: deputize a sub-Subgroup? • Or...if this is the best forum to do this, identify major areas of agreement and define remaining sticking points 	11:20 – 11:40
Public Input	11:40 – 11:50
Work Between Meetings – What Can Get Done Before January 22?	11:50 – 11:55
<p>Future Meetings</p> <ul style="list-style-type: none"> • January - Mon. Jan. 22, 1-4; Deering 101 or remote? • February – date; in person or remote? • March – date; in person or remote? <p>Closing Thoughts</p>	11:55 – 12:00

Note: Agenda item times are subject to change based on the progress of the group

Maine Climate Council Natural and Working Lands Work Group

Working Agreements

- Meetings will start and end on time.
- When meetings are held in person, Committee members will make every effort to attend in person to maximize learning, communication, and collaboration.
- Cameras will remain on during virtual meetings to facilitate communication and understanding.
- Meeting materials will be shared in advance of meetings with sufficient time for review.
- Come prepared, having read meeting materials and completed assignments.
- Be present and engaged.
- Strive for equal airtime, enabling all to participate fully.
- Listen with curiosity and an openness to learning and understanding.
- Adopt a creative problem-solving orientation.
- Name the tension, kindly.
- Humor is welcome!

The Natural and Working Lands Work Group will strive for consensus in its recommendations through a facilitated, discussion-based process, and will not hold votes on specific decisions. The Work Group may choose to include a significant minority opinion as part of its final recommendations.

Maine Climate Council Natural and Working Lands Work Group

Forest Carbon Subgroup

- **Jo D. Saffair Facilitator**
- Tom Abello, Governor's Office
- Amanda Beal, DACF
- Mark Berry, The Nature Conservancy
- Barrie Brusila, Mid-Maine Forestry
- Kyle Burdick, Baskahegan Company
- Adam Daigneault, UMaine
- Tom Doak, Maine Woodland Owners
- Dana Doran, Professional Logging Contractors of the Northeast
- Ivan Fernandez, UMaine Climate Change Institute
- Chris Fife, Weyerhaeuser
- Alec Giffen, New England Forestry Foundation
- Stacy Knapp, Maine DEP
- Morten Moesswilde, DACF Maine Forest Service
- Rep. Maggie O'Neil
- Bill Patterson, DACF Bureau of Parks and Lands
- Ryan Robicheau, DIFW
- Patrick Strauch, Maine Forest Products Council
- Steve Tatko, Appalachian Mountain Club
- Karin Tilberg, Forest Society of Maine
- Andy Whitman, DACF Maine Forest Service
- Ted Wright, Trust to Conserve Northeast Forestlands

= NWL WG Member

Maine Climate Council Natural and Working Lands Work Group Forest Carbon Subgroup Overview

Among the recommendations that the Natural and Working Lands Work Group submitted to the Maine Climate Council in 2020 were many that pertained to forest carbon. The following four made their way into *Maine Won't Wait*:

- Establish, by 2021, a stakeholder process to develop a voluntary, incentive-based forest carbon program (practice and/or inventory-based) for woodland owners of 10 to 10,000 acres and forest practitioners.
- Increase the amount of financial incentives available for climate-friendly land management practices that sequester carbon and support climate change resilience.
- Update the Open Space Current Use Taxation Program and maintain the Tree Growth Tax Law.
- Engage in regional discussions to consider multi-state carbon programs that could support Maine's working lands and natural resource industries and state carbon neutrality goals.

Immediately after *Maine Won't Wait* was finalized, in January 2021, Governor Mills issued an Executive Order "establishing the Governor's Task Force on the creation of a forest carbon program." The purpose of the Task Force was "to develop a voluntary, incentive-based program for woodland owners of 10 to 10,000 acres and forestry practitioners to increase carbon storage in Maine's forests."

The Task Force was directed to:

- Review available data for practice-based carbon programs throughout the United States;
- Review current harvest levels and carbon stocking data on woodland owners of 10 to 10,000 acres;
- Identify a suite of climate-friendly forest management practices that improve carbon stocks and maintain current timber harvest levels;
- Identify a suite of financial incentives and technical assistance activities to increase carbon sequestration on woodland owners of 10 to 10,000 acres and carbon sinking in wood products through active forest management;
- Identify incentives for high-quality, on-the-ground performance by loggers and promote the use of low-impact harvesting equipment;
- Recommend updates to the Open Space Current Use Taxation program, including in a manner that incentivizes climate-friendly land management practices;
- Explore opportunities for partnerships with large, commercial forestland owners;
- Consider opportunities for Maine to participate in multi-state forest carbon initiatives; and
- Recommend a numeric goal or targets for increased carbon sequestration in Maine over time.

The Task Force issued its final report on October 29, 2021. In it, it identifies overarching principles that are foundational to the success of Maine's forests in sequestering more carbon, including:

- Maintaining existing forestlands ("keeping forests as forests") and increasing funding for forestland protection via conservation easement or fee purchase;

- Improving forest conditions via widespread adoption of a range of sustainable forest practices that increase carbon sequestration; and
- Ensuring viable markets for low-grade wood, an integral part of the equation for adopting carbon-enhancing forest practices.

Some of the directives set out in the Governor’s Executive Order were accomplished by the Task Force in significant detail. For instance, a comprehensive suite of climate-friendly forest management practices was identified, some of which could reasonably form the basis of an incentive-based forest carbon program for landowners. Other Executive Order directives were addressed in a more general manner. For instance, the Task Force developed initial concepts for revising the Open Space Current Use Taxation program while acknowledging that further consultation with municipalities and other interests would be required to arrive at a legislative approach.

Some examples of progress that has occurred since the Task Force report was issued include:

- Maine Forest Service (MFS) has increased its technical capacity with the very hiring of a Senior Planner/Forest Carbon Specialist and the first of three field forester positions funded through the FY22 budget process. These positions support forest landowners in adopting forest management practices that increase climate resiliency and carbon sequestration.
- The Forest Recovery Initiative Grant Program, part of Governor Mills’ Maine Jobs Recovery Plan, provided millions of dollars in grants to forestry projects that addressed new market demands and provided new sustainable products.
- MFS is also increasing its technical capacity through staff training and contracted assistance to improve analyses and reporting on forest carbon in conjunction with its Forest Resources Assessment program to develop further analytic tools for modeling and measuring forest carbon.
- MFS participates in a multi-state project, Securing Northeast Forest Carbon, to advance understanding and application of climate impacts and responses in forestry, as well as understanding of forest carbon accounting and markets (without endorsing any particular carbon credit scheme).
- Maine, Vermont, and Massachusetts have been engaged in a Net Zero Carbon Collaborative, comparing GHG inventory and accounting methods between states, and identifying criteria that would need to be addressed as part of any future potential transfer of carbon sequestration (negative emissions) between jurisdictions.

The Forest Carbon subgroup will use the Forest Carbon Task Force's report as a general framework for its work while also recognizing that the field of forest carbon (science, markets, research, etc.) has evolved considerably since that report was completed. **The subgroup will consider whether the recommendations in that report should be revised and or supplemented, and as importantly, what the major barriers are that impede progress toward their implementation.**

Summary of 2023 Open Space Discussions – prepared by Kaitlyn Nuzzo, The Nature Conservancy

- [LD 1648](#)
- Framing Objectives
 - Implement recommendations from [Forest Carbon Task Force](#)
 - Create new categories / incentives for habitat protection or forest carbon management within Open Space Tax Law
 - Explore state reimbursement to municipalities (modeled off of Tree Growth) to reduce financial burden on municipalities
 - Allow for more flexibility or automatic transfer from Tree Growth to Open Space (MWO priority)
 - Lift / remove the 15,000 acre cap (TNC priority)

Main areas of discussion from 2 stakeholder meetings

- Role of state agencies
 - Ideally allow state agencies to shape “requirements” or what needs to be in a plan, but don’t create new work for agency staff.
 - IFW – wants an option for landowners with critical wildlife habitat – way to encourage them to take steps to manage
 - Could a management plan be required (requirements set by state agencies) and then submitted / reviewed by state agencies? “Approved” or written by a licensed forester, certified wildlife biologist?
 - Can’t be a written agreement, state agencies don’t have capacity
 - Started exploring a practice based approach
- Open Space – needs updating
 - Generally underutilized
 - Some landowners in TG would fit better in a different program
 - Towns shy away from OS – no reimbursement, no clear accountability
 - Could the Open Space program bring in new landowners (who aren’t in any program) and protect undeveloped land, lead to landowners exploring other programs and maybe eventually moving into carbon management, then into TG?
- Areas we did not resolve
 - Valuation method – explain our proposal to base off TG
 - Additional reductions – did not discuss the proposed % or how Open Space Valuation might compare to Tree Growth.
 - No consensus on a solution for the open space cap limitations
 - No final plan for management plans but we were getting close.
 - Needed some additional conversations about why TG wasn’t the right fit for all landowners, land types. How Open Space can be a tool to support, not detract, from TG.

Possible Approach to Amending the Open Space Tax Law Program
prepared by Tom Doak, Maine Woodland Owners 12/6/23

Assuming the current approach of percent reductions from the assessed value for land enrolled in the program is retained:

1. The current reduction of 20% for “Ordinary” Open Space land is too low. It should be increase substantially. Possibility to 50%.
2. Retain the public access reduction of 25 %.
3. Eliminate the Permanently Protected and Forever Wild Categories. These permanent restrictions already carry with them significant reductions in assessed value, so including them in the program as a deduction is duplicative and confusing. If there needs to be a default for assessing land in Open Space with these restrictions, the average of the Tree Growth Tax Law value in the particular county could be used.
4. Eliminate the managed forest land deduction. It is confusing and rarely used.
5. Add a deduction for implementation of an approved practice that is climate friendly or addresses an important wildlife need. The landowner could choose from a list. The practice standards would be approved by the Maine Forest Service (MFS) or Department of inland Fisheries and Wildlife (DIF&W). Initially, this approach would use the applicable existing practice standards for Natural Resource Conservation Service NRCS cost-share programs and require an approved certifier (Technical Service Provider or TSP) as defined by NRCS in order to qualify the deduction. Once approved, the deduction would be valid for 10 years. After 10 years, the landowner would have to implement another practice to continue to receive the deduction. Additional practice standards could be developed by MFS or DIF&W.

The role of MFS and DIF&W would be limited to developing and approving standards that qualify for this deduction. The landowner would have the responsibility to have a certifier sign off on implementation of the practice.

In the case where a landowner is willing to implement a practice to directly enhance the habitat of the threatened or endangered species, it would make sense that DIF&W play a role in technical assistance and certifying the practice.

6. Retain the requirement that the Open Space value for forestland cannot be below the Tree Growth Tax Law forestland value.
7. Allow for automatic eligibility of a landowner to transfer from the Tree Growth Tax Law program of the Farmland program into the Open Space program.
8. 15,000 acres maximum for a single ownership in Open Space or Farmland?