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## STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Testimony of SUZANNE D. CASE Chairperson

Before the Senate Committee on WAYS AND MEANS

Thursday, February 23, 2017 1:30 PM State Capitol, Conference Room 211

## In consideration of SENATE BILL 990, SENATE DRAFT 1 RELATING TO FOREST STEWARDSHIP

Senate Bill 990, Senate Draft 1 proposes to amend Chapter 195F, Hawaii Revised Statutes, to clarify conditions that must be met by applicants to participate and receive funds under the Forest Stewardship Program. The Department of Land and Natural Resources (Department) strongly supports this Administration measure.

The Forest Stewardship Program provides technical and financial assistance to private landowners or long-term leaseholders of forests in managing, protecting, and restoring important natural resources in Hawaii's forested and formerly forested lands. Sixty-six percent of Hawaii's forested areas are privately managed and the program enables participants to responsibly manage important forest resources that provide vital public and private socioeconomic and environmental benefits. This measure specifically seeks to allow landowners, including long-term leaseholders, interested in participating in the Forest Stewardship Program to be eligible for an increased cost-share reimbursement rate from 50% to 75% for development of an approved forest stewardship management plan, as well as improving efficiencies in program implementation and increasing available eligible lands.

The Forest Stewardship Program connects landowners to natural resource experts that help them responsibly and sustainably manage their forest resources. This interaction with experts transfers knowledge and improves the management of privately managed forest lands, which benefits the public by increasing freshwater resources, providing habitat for native wildlife, reducing soil erosion and sedimentation on to coral reefs, identifying and controlling invasive species, and creating smart sustainable communities. The Program especially reduces the financial barrier for landowners and land managers to access natural resource experts by increasing the allowed cost-

share for the development of an approved forest stewardship management plan. The total cost for development of a management plans is between \$5,000 to \$15,000 depending on the size and complexity of the land management project. The financial support provided by the Program has helped 68 participants over 39,272 acres of land. However, the increasing cost of developing management plans over the past five years discourages landowners from seeking the technical support needed to successfully manage their forests.

This measure proposes to remove language that restricts the types of forest land that the Department can work with under the program. The statute currently does not allow the Department to provide assistance for the sustainable management of forest product resources, including agroforestry, unless the land was cleared of native vegetation prior to January 1, 1991. The classification of land prior to January 1, 1991 provides technical challenges to assessing land eligibility with changes in land use over the past 25 years. Additionally, this restriction prevents the Department from providing sound management guidance to landowners that are interested in sustainable use of their resources if it was never cleared of native forest, including those lands found within the state agricultural district. The technical assistance provided by the program can improve the sustainable management of these lands, recover the overall forest condition and health, and encourage landowners to manage their native forests instead of clearing them.

This measure proposes to improve efficiencies by allowing the Department to enter into costshare agreements solely for the development of management plans that is separated from a commitment to long-term program implementation agreements. This measure also allows landowners to request cost-share support for the implementation of their approved management plans from other partner programs (such as United States Department of Agriculture Farm Bill programs), decreasing the requested funding support to the State of Hawaii.

Forest Stewardship serves to stimulate investment in forestry as an economically viable land-use alternative that supplies Hawaii's rural communities with a source of revenue, provides locally grown products and energy to reduce Hawaii's dependence on imported goods, and contributes environmental benefits, such as clean water and habitat for Hawaii's native wildlife. With 66% of Hawaii's forested areas being privately owned or managed, the Department recognizes that public-private partnerships are essential to the present and future health of forests and the sustainable management of Hawaii's natural resources. The Program affords many of Hawaii's private forest owners access to resource experts, as well as provides a plan to improved and sustainable management of the natural resources they steward.

## HAWAI'I FOREST INDUSTRY ASSOCIATION (HFIA)



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February 21, 2017

## **Re: Testimony Supporting Senate Bill 990**

The Hawai'i Forest Industry Association (HFIA) strongly supports Senate Bill 990, which proposes to amend Chapter 195F, Hawaii Revised Statutes (HRS), to clarify conditions that must be met by applicants to participate and receive funds under DLNR Division of Forestry & Wildlife's Forest Stewardship Program. Since 1989, HFIA has been actively managing and conserving Hawaii's forests. Many beneficial projects have benefited from the Forest Stewardship Program, including our Keauhou Bird Conservation Center (KBCC) Discover Forest.

The Forest Stewardship Program provides technical and financial assistance to private landowners or longterm leaseholders of forests in managing, protecting, and restoring important natural resources in Hawaii's forested and formerly forested lands. Senate Bill 990 (SB990) specifically seeks to allow landowners interested in participating in the Forest Stewardship Program to be eligible for an increased cost-share reimbursement rate for development of a forest stewardship management plan from 50% to 75%, as well as removes language that restricts the types of forest land that the Department of Land and Natural Resources can work with under the program.

The program provides support for private landowners to interact with natural resource experts that help them describe their existing forest resources; identify project objectives; pinpoint resource needs, issues or concerns; and ultimately lay out a plan to meet those objectives and address any resource threats. Management of any property in Hawaii is expensive, and for forest landowners, successful management requires consulting with a variety of natural resource experts, including foresters, wildlife biologists, agroforestry design planners, nurseries, etc.

The financial support provided from the Forest Stewardship Program allows landowners to work directly with resource consultants to build a sustainable management plan and road map for improving and enhancing the forest resources they steward. For many private landowners, the management of their forest resources is not their primary occupation, but they are committed to the stewardship of their forest land. Reducing the financial barrier to accessing technical experts makes it easier to responsibly manage those lands and the numerous natural resources that are supported by a healthy and productive forest.

Mahalo, Sincerely, Sophia Cabral-Maikui, Legislative Chair Hawai'i Forest Industry Association



Testimony of Haleakala Ranch

Supporting SB 990 (SD1) Relating to the Department of Land and Natural Resources' Forest Stewardship Program

Haleakala Ranch Company strongly supports Senate Bill 990(SD1). DLNR's Forest Stewardship Program provides financial and technical incentives which facilitate conservation, watershed restoration, agroforestry and other sustainable agricultural practices on privately managed lands. These land stewardship practices are essential to the quality of life, and health of the economy in Hawaii. But when borne alone, the expenses associated with these important enterprises are often cost-prohibitive. The proposed 25% increase in cost-share funding for technical support will help bring professional expertise to bear on the development of future FSP projects, and further ensure all the goals of this important program are realized.

In 2017 Haleakala Ranch Company executed a 10-year Forest Stewardship Program agreement with the DLNR. The agreement sets aside a key land holding on the Ranch for native forest restoration and watershed protection. In addition, it provides a site where land stewardship agencies including the East Maui and Leeward Haleakala Watershed Partnerships, The Nature Conservancy, the Plant Extinction Prevention Program, the Maui Invasive Species Committee and the Division of Forestry and Wildlife can collaborate and develop Best Management Practices for watershed restoration on former grazing lands with existing native forests.

Again, Haleakala Ranch Company strongly supports SB990(SD1).

Thank you very much for your time and attention to this testimony.

Respectiully Jordan ₩. Jokiel. Haleakala Ranch Land Manager

To: Jill N. Tokuda, Chair, Donovan M. Dela Cruz, Vice Chair and Members of the , Senate Ways and Means Committee

From: Patrick Conant, Forest Stewardship Program participant, Volcano Hawaii

Subject: Personal testimony in support of SB990 SD1

I strongly support SB990 SD1. My sister and I own a parcel of native forest in Volcano that was being overrun with wild pigs and alien weeds and we needed financial support to fence it and kill weeds before it was ruined. We applied to the Forest Stewardship Program and were awarded financial support via cost share. Now almost 10 years later, weeds are almost completely gone, pigs are fenced out and the forest is completely restored. Yes it was a lot of work on our part, but the cost share of the FSP made it all possible.

I am a strong supporter of the Program since I have seen what it has done for me, and other participants whose forests I have visited, from native forest restoration to koa plantings for future harvests. the Forest Stewardship Program creates jobs by growing timber, non-timber products and by employing experts to prepare Management Plans for FSP applicants.

With respect to job creation, this Bill will increase the cost share of the program to 75% from 50/50 for Management Plan preparation, so that proposals from applicants that have been accepted can get the expert help they need to write a sound Management Plan. Also, the State gets better Management Plans for forest restoration, non-timber and timber products, and the goals of FSP get accomplished.

Much of our watersheds throughout the State are actually privately owned and not all are well managed for water and soil conservation. The Forest Stewardship Program provides an excellent service and cost share funding to both small private acreages like mine, or huge estates over thousands of acres. If the cost share is increased to 75% in favor of the applicant for Management Plan preparation, more could be accomplished and more forest owners would join up. Also, this bill allows more types of Forests to qualify for the Program so more owners will qualify . Please support this bill!