



FOREST CONSERVATION EASEMENT PROGRAM: FACT SHEET Meeting a critical need at a critical time

Conservation is the sustainable use and protection of our natural resources. Voluntary conservation easements are an effective tool to ensure forests stay intact long-term. Through sustainable forest management, conservation easements on private and tribal forest lands ensure stable forest cover, advance conservation objectives, and provide timber supply for the forest products we need.

THREATS TO AMERICA’S PRIVATE FORESTLAND

- Private forests comprise [58 percent](#) of all forestland in the U.S. and face significant conversion pressure from housing and urban development. The U.S. could lose a net of [37 million acres](#) (15 million hectares) — the size of Illinois — of forest by 2060.
- The United States clears about half a million acres of forestland a year—and has cleared more than 18 million acres since 1982 for development, according to the [U.S. Endowment for Forestry and Communities](#). While this forestland loss has been [offset](#) by reforestation of former agricultural land, the quality of forests replacing those that have been lost are not equal. Forest fragmentation and habitat destruction continues to [increase](#) across the country.
- Large, intact forests also continue to be [subject to parcelization](#), limiting the ecosystem services and forest products provided and increasing the likelihood of conversion to non-forest uses.
- Forests are facing greater threats than ever before, including wildfire, habitat loss, diseases and invasive species. Permanently conserving private forestland is a critical tool for protecting forests from these perils and ensuring that durable wildlife habitats remain healthy and vibrant.

THE SOLUTION

- **Strong federal policy can keep private forestland intact and working, allowing them to continue providing numerous benefits to rural and urban communities. Along with healthy markets for forest products, voluntary conservation easements are a proven tool for incentivizing land conservation.**
- To address the growing suite of pressing environmental and societal challenges in front of us, we must provide opportunities for private and tribal forestland and forest landowners of all types and sizes to protect and conserve their land now and for future generations.
- **What we can do today: Create a Forest Conservation Easement Program (FCEP) in the Farm Bill to keep forests as forests by purchasing development rights from willing private and tribal landowners to prevent**

WHY CONSERVE PRIVATE FORESTS?

They provide a multitude of [benefits](#) for both rural and urban communities.

Private working forests, a subset of forests:

- ✓ *Are a powerful carbon sink, accounting for [79 percent](#) of the gross annual forest sequestration from all U.S. forests (per National Alliance of Forest Owners);*
- ✓ *Filter nearly [30 percent](#) of the nation’s drinking water;*
- ✓ *Provide habitat for [60 percent](#) of at-risk species; and*
- ✓ *Support [2.5 million](#) jobs*

...all while sustainably accounting for [90 percent](#) of the nation’s harvests for forest products.

conversion to non-forest uses. Private forests in a conservation easement can remain privately owned and working.

- **Example:** This will provide heirs to forestland with an economically viable option to recoup value from their inherited forests while keeping the benefits forests provide intact.

PROGRAM OVERVIEW

- As a forest-focused complement to the Agricultural Conservation Easement Program and an expansion of the existing Healthy Forests Reserve Program, FCEP has two components, both of which target private and tribal forestland and support sustainable forest management and production:
 - Through **Forest Land Easements (FLE)**, NRCS will provide funding for eligible entities – conservation organizations (such as land trusts), state and local agencies, and tribes – to purchase working forest conservation easements, filling a critical void among federal programs. FLE – structured similarly to ACEP-Agricultural Land Easements – is based on a successful model for NRCS partnering with land trusts and other entities to keep working lands working.
 - Through **Forest Reserve Easements (FRE)**, NRCS will purchase forest conservation easements directly from private and tribal landowners and provide financial assistance for the management and restoration of the lands to restore, maintain, and enhance habitat for threatened and endangered and other at-risk species. FRE is the successor to and expansion of the existing Healthy Forests Reserve Program.
- The purpose of FCEP is to:
 - Significantly improve and enhance the ability of NRCS to effectively conserve working forests at scale through conservation easements;
 - Prioritize keeping forests as forests, continuing to provide a multitude of environmental, economic, and societal benefits;
 - Help landowners restore, enhance, and protect habitat for threatened and endangered species while increasing carbon sequestration; and
 - Provide landowners with two proven options for placing voluntary conservation easements on their land, with one held by the federal government and one held by entities and land trusts.

FOREST CONSERVATION EASEMENT PROGRAM: FREQUENTLY ASKED QUESTIONS

1. Why do we need an expanded easement program for forests?

- Private forests comprise [58 percent](#) of all forestland in the United States, and are [facing significant threats](#) from urbanization, fragmentation, conversion to non-forest uses like housing and other uses, wildfire, climate change, invasive species and pests and disease.
- Forests are facing significant threat of conversion, especially large, intact forests. The United States is clearing about half a million acres a year—and has cleared more than 18 million acres since 1982, according to the [U.S. Endowment for Forestry and Communities](#). So despite the total acreage of forests in the U.S. remaining [relatively stable](#) since the 1950s, the [composition of acreage](#) is drastically changing, with new acreage not replacing loss of larger unfragmented forest landscapes.
- Keeping forests as forests is a key strategy for addressing climate change, as well as preserving the myriad other environmental and economic benefits provided by forests.
- While the Farm Bill's Conservation Title has financial and technical assistance programs where forestland is eligible, it does not currently extend conservation easement programs to forestland.
- There is also no federal forest easement program that provides funding for land trusts, other NGOs, or tribes to purchase and hold easements, with other programs targeting only state or federally-held easements.
- This program will address the significant gap in conservation easement funding for forested lands that exists in Farm Bill programs at a time when forest conservation is critically needed.

2. How would the Forest Conservation Easement Program (FCEP) work?

- FCEP is exclusively for conservation easements on private and tribal forestland.
- FCEP will ideally receive mandatory funding within the Conservation Title of the Farm Bill.
- FCEP will allow for continued forest management and production consistent with the management objectives of the landowner.
- FCEP expands the existing HFRP to provide two distinct easement options for landowners to choose from: 1) Forest Land Easements (FLE), which are held by eligible entities, including NGOs (such as land trusts) and state, local, and tribal agencies; and 2) Forest Reserve Easements (FRE), which are federally-held and for which landowners can receive funding for land management and restoration activities outlined in the required FRE plan.
- FCEP will be administered by NRCS.

3. How does FCEP, as an expanded program, complement other forestland conservation easement programs?

- FCEP will fill a gap that's not currently being addressed by existing conservation easement programs. FCEP will be the successor to and an expansion of the existing Healthy Forests Reserve Program (HFRP), be an important forest-focused complement to the Agricultural Conservation Easement Program (ACEP) and be an eligible entity-focused complement to the Forest Legacy Program (FLP).
- Below, we provide further specifics on each existing program:

- **ACEP:** ACEP is a large, well-established program with a strong constituency and important role in advancing conservation on agricultural lands, grasslands, and wetlands. ACEP has rules that prevent nearly all working forestland from being eligible for enrollment (the exception being limited forested buffer eligibility if adjacent agricultural lands are being eased).
- **HFRP:** HFRP is a proven program that FCEP replaces and improves upon by adding an eligible entity-held easement subprogram to complement HFRP's—to become FRE—federally-held easement. FCEP will also expand HFRP's impact to more forestland and types of forests to provide a wide range of environmental and economic benefits to a greater diversity of landowners. FCEP's expansion of HFRP has the added benefit of not increasing the number of programs implemented by NRCS, as well as utilizing existing program frameworks to better incentivize conservation on private forests. Placing FCEP in the conservation title with mandatory funding would also round out the conservation tools and mandatory funding available for forest conservation, increasing the effectiveness and impact of Farm Bill programs on private forestland.
- **FLP:** FLP is a successful program with a very specific and important purpose: to provide funding to state agencies to acquire fee title and easements on lands within a state designated "Forest Legacy Area," i.e., geographical focal area. Because of that focus, there are still gaps in the federal suite of conservation programs that FLP does not fill, including providing funding for land trusts, tribes and other non-governmental entities to hold forest easements and conserving forestlands outside of desired state ownership areas. FCEP fills the void on eligible entities and eligible land necessary to round out and complement FLP.

4. How would FCEP help tackle climate change?

- FCEP conservation easements would prevent the conversion of private and tribal forestland to non-forest uses, which would preserve those forestlands as powerful carbon sinks. Private working forests account for approximately 79% of U.S. forests' annual gross sequestration and approximately 51% of the total carbon storage (according to the National Alliance of Forest Owners).
- These working forests are sustainably managed to not only support clean air, clean water, and wildlife habitats but also yield a consistent, renewable supply of wood for various forest products such as lumber, energy, paper, packaging, and numerous everyday consumer items. The production of new forest products adds roughly 100 million metric tons of CO₂ equivalent (CO₂e) each year to the 10 billion metric tons of CO₂e already stored in existing harvested wood products (according to the National Alliance of Forest Owners).
- Per the [Intergovernmental Panel on Climate Change](#): "In the long term, a sustainable forest management strategy aimed at maintaining or increasing forest carbon stocks, while producing an annual sustained yield of timber, fibre, or energy from the forest, will generate the largest sustained mitigation benefit."
- One of the purposes of FCEP is "to enhance carbon sequestration." Under the FCEP Forest Reserve Easement (FRE), the secretary may give additional consideration to applications that will increase carbon sequestration, and "practices to increase carbon sequestration" may be included in the forest reserve easement plan.

5. Why should FCEP be included in the conservation title of the Farm Bill, rather than the forestry title?

- The goal is for FCEP to receive mandatory funding, and all of the NRCS easement programs that currently have mandatory funding are located in the conservation title.
- The Farm Bill’s conservation title has financial and technical assistance programs where forest land is eligible, including the Environmental Quality Incentives Program, the Conservation Stewardship Program, and the Regional Conservation Partnership Program. However, the title currently only has easement programs for agricultural land, grasslands, and wetlands – not forest land.
- Placing FCEP in the conservation title would ensure that the title encompasses the broad range of conservation tools and mandatory funding available for forest conservation, increasing the effectiveness and impact of Farm Bill programs on private and tribal forestland.

6. Will the creation of FCEP modify ACEP or take money away from ACEP?

- No. There is strong support for ACEP, and the supporters of FCEP firmly believe that conservation of working lands is crucial for the future of our country and funding for FCEP must be in addition to funding for ACEP in the next farm bill.

7. Will there be a funding offset for FCEP?

- We had identified a potential offset that was not deemed viable. We are not advocating for any specific funding sources to offset any mandatory funding Congress may ultimately provide for FCEP in the Farm Bill. Those decisions will be made by House and Senate Agriculture Committee staff as part of their larger Farm Bill funding negotiations and decisions.
- The House’s FCEP marker bill (H.R. 3424) provides mandatory funding for FCEP and includes a “Sense of Congress” that the costs of carrying out this Act shall be offset.
- The Senate’s FCEP marker bill (S. 2631) provides a discretionary funding authorization for FCEP, with the ultimate goal of including FCEP in the Farm Bill with mandatory funds.

8. Does FCEP have provisions related to small/historically underserved landowners?

- Yes. Ten percent of annual FCEP funds will be used to enroll land owned by historically underserved landowners, to the maximum extent practicable. Additionally, under the Forest Land Easements component, FCEP provides for an enhanced federal share of the easement value (75%) for land owned by historically underserved landowners. Supporters remain open to including additional provisions to ensure equitable access to the program. The goal is to ensure the program is accessible and available to forest landowners of all types and sizes.

9. Will FCEP be limited to smaller landowners?

- No. FCEP will be for landowners of all sizes. FCEP is developed specifically to be able to provide a working lands easement program for forests at scale and work with landowners of all sizes. To do this, FCEP will be exempt from the adjusted gross income limit.

10. How could tribes benefit from FCEP?

- Like with ACEP and HFRP, tribal land is eligible land for FCEP. This provides an opportunity for willing tribal landowners to sell development rights on their forest land and invest that revenue into other opportunities. Eligible tribal forest land would include:
 - land that is held in trust by the United States for Indian tribes or individual Indians;
 - land where the title is held by Indian tribes or individual Indians, subject to federal restrictions against alienation or encumbrance;
 - land that is subject to rights of use, occupancy, and benefit of certain Indian tribes;
 - land that is held in fee by an Indian tribe;
 - land that is owned by a native corporation formed under the Indian Reorganization Act or the Alaska Native Claims Settlement Act; or
 - a combination of one or more of the above types of land
- For purposes of FCEP Forest Reserve Easements – which would be held by NRCS – tribal forest land could be enrolled via a 30-year contract, a permanent easement, or a combination of the two options.
- Like with ACEP-ALE, tribes are eligible entities able to hold FCEP Forest Land Easements. This would expand opportunities for tribes to participate in federal forest easement programs, as currently, tribes are not eligible to receive funding to hold easements in any federal forest easement programs (FLP easements are held by states, and HFRP easements are held by NRCS).

11. Does FCEP require landowners to have a forest management plan?

- FCEP has two distinct easement options with differing plan requirements: FCEP-Forest Land Easements (FLE) and FCEP-Forest Reserve Easements (FRE).
- FCEP-FLE focuses on putting land in an easement to protect it from conversion to non-forest uses. If the eligible land does not have a forest management plan at the time of application, prior to the acquisition of a FLE, the landowner must develop, in partnership with the eligible entity, a voluntary forest management plan, which could be a forest stewardship plan, another plan approved by a state agency, a plan developed under a third-party certification system, or another plan determined appropriate by the Secretary. Landowners can then choose to utilize that voluntary forest management plan. NRCS can reimburse for the cost of the plan. Landowners who have a forest management plan at the time of application receive priority for selection.
- As with FCEP-FRE's successor, HFRP, landowners enrolling in FCEP-FRE are required to have a forest reserve easement plan that describes the activities to restore, maintain, and enhance habitat for species—including converting or restoring forest land; enhancing or maintaining existing forest ecosystem functions and values; restoring marginal farmland or degraded forest land; and additional conservation treatments and forest management practices to achieve desired outcomes.

12. Will FCEP fund restoration and management of enrolled forestlands?

- FCEP will fund restoration and management of forestlands enrolled in the Forest Reserve Easement (FRE) component of the program, as with FCEP-FRE's successor, HFRP. Landowners enrolled in FCEP-FRE can receive financial assistance for activities, practices, and measures associated with the initial restoration or enhancement of the required habitat conditions for the applicable species under their

forest reserve easement plan. Such payments may not exceed \$500,000 per easement or contract.

- FCEP does not prevent landowners from participating in other USDA programs or receiving payments via ecosystem services markets. As such, owners of land enrolled in FCEP could seek funding from EQIP or other NRCS programs to support restoration and management activities.