

MAINTENANCE OF TIMBER SUPPLY

0334

GENERAL

0334.1

Pursuant to its responsibility to determine, establish, and maintain adequate forest policies, the Board has found that:

A. Timber growing, harvesting and processing are of basic importance to the people of California. Because most forests are renewable resources, they will be as important to future generations as they are to the present one. Thus, properly managed forests are now and can continue to be a major and increasing source of essential raw materials, and of employment and community income for large areas of the State;

B. Californians annually utilize about 1-1/2 billion cu. Ft. of manufactured wood products in a variety of essential ways, such as for new housing and paper products, for agriculture, manufacturing, transportation, communications and energy production;

C. The forest industries of the State currently produce only the equivalent of two-thirds of the State's wood products consumption, the balance being supplied from national and world markets. Historically, prices of most wood products have risen as a result of demand expanding more than supply, indicating an increasing relative scarcity of wood. In the decades ahead, competition in national and world markets is expected to become increasingly severe from the standpoint of all consumers of wood products. Hence, maintenance of wood supply from within the state is of steadily increasing importance and concern to Californians;

D. Wood is one of a limited number of basic raw materials. Foremost, it is renewable and, once its useful life is finished, it is biodegradable. Energy requirements for extraction, processing, and installing wood materials are often much lower than energy requirements for major competing materials. Wood's low thermal conductivity often makes it superior to nonrenewable materials for building construction. Significant advantages from the standpoint of maintaining a quality environment would therefore result from minimizing scarcity-induced substitution of other materials for wood;

E. The area of commercial forest land in California has been declining and probably will continue to do so as a consequence of allocations of commercial forest land to residential and commercial construction, rights-of-way, parks and wilderness, reservoirs, and other uses which preclude timber growing and harvesting;

F. The public's need for the other values provided by forests (such as those derived from parks and wilderness, wildlife, watershed, minerals, aesthetics, forage for domestic livestock and scientific investigation) will compete with timber growing for the use of forest land. In some situations, provision of these values may limit the extent to which commercial forest may be fully utilized for timber growing and harvesting;

G. The commercial forest lands in California, whether publicly or privately owned, were growing timber in 1970 at a rate of less than 40 percent of their potential. Among the historical reasons for this short-fall have been wildfires, ill-considered harvesting practices or timberland conversions, owner disinterest, and existence of relatively large areas of slow growing virgin forest and of young-growth timber not yet contributing significantly to measurable annual growth. More than 30 percent of the privately owned commercial forest land in the State was classified in 1970 as either unstocked or primarily stocked with certain species of hardwoods, which grow much more slowly than do conifers and are less suitable for commercial purposes. Restocking such lands is therefore an important factor in meeting the State's continuing wood products needs.

H. The quality characteristics of timber harvested in the State, judged by current market quality standards, have been changing and will probably continue to do so as a steadily increasing proportion of the annual production comes from young-growth rather than original-growth trees. Considerations of market economics work strongly against timber growing rotations and management regimes which can produce large, fine-grained, knot-free trees comparable in such respects with original-growth trees;

I. The State, through the mechanism of timberland preserve zoning, has recognized the need to protect the State's private timberland as an important productive resource. Such protection is especially essential to much of the State's prime timberland which comprise 5 million acres, contain almost half of the entire potential for future wood growth, and well over half of the potential for economically efficient timber growing;

J. There is significant unutilized residue in harvesting, processing and manufacturing, and unnecessary waste in the consumption and disposal of forest products. More efficient utilization would extend wood fiber resources and is therefore a crucial element in the maintenance of timber supply.

In the light of these findings, the Board has concluded that protection of the public's interest in economically supplying its needs for forest products in this and future generations requires vigorous and coordinated efforts by the Board to (1) maintain prime timberland as a source of current and future timber supply, (2) promote establishment, maintenance, and productive management of forest growing stocks needed to ensure the long-term optimum productivity of such lands, (3) encourage the balance among timber size classes needed to ensure continuity of the timber supply, (4) encourage maintenance of a supply which will have suitably diversified quality characteristics, and (5) encourage more efficient utilization of wood both in the woods, in processing and in consumption as a means of extending timber supplies.

To accomplish these goals, the Board recognizes the need for detailed policies with respect to maintenance of timberland availability, development of optimum management and utilization practices, provision of adequate growing stock, and encouragement of adequately balanced timber size classes and adequate diversity of quality characteristics. Such policies will clearly recognize the Board's differing responsibilities with respect to State forests, the State's interest in Federal land matters pertaining to forestry, and the State's interest in forest resources on private lands, and shall reflect the State's concern that major consideration be given to preventing environmental damage.

The Board recognizes that land-use decisions affecting timber production should be taken in the light both of this policy and of review of the public's need for non-timber values derived from forests and forest land, particularly as those needs are recognized by responsible public bodies.

DEFINITIONS

0334.2

"Prime timberland" is forest land capable of growing 120 cu. ft. per acre per year or more, in perpetuity, when fully stocked and measured at culmination of mean annual increment. Generally, it is land with relatively favorable natural endowments or rainfall, soil characteristics, including porosity and permeability, drainage, water storage capability and nutrient availability, length of growing season, and topographic characteristics.

LAND AVAILABILITY

0334.3

In order to maintain timber growing land in California as a permanent source of current and future timber supply, the Board has found that it is in the public interest:

- A. To oppose diversion to uses which preclude timber growing and harvesting or such privately owned prime timberland and other lands which have been classified as timberland preserve zone (TPZ) under provisions of the Z'berg-Warren-Keene-Collier Forest Taxation Reform Act of 1976, except where the public values to be achieved by such diversion exceed the public values derivable from timber growing. This policy applies both to diversion proposed by the owner of the land and to proposals for public acquisition of such land;
- B. To manage all prime timberland on State forests to investigate and demonstrate management for optimum long-run timber production. Where such forest lands contain or adjoin areas of high recreation value in State or other ownership, timber growing and harvesting practices may be modified in order to minimize conflicts between other land uses and to demonstrate the costs and effectiveness of such practices;
- C. To support designation in specific land management plans of such "commercial forest" on the federal public lands as is prime timber uses, except where the public values to be realized from precluding timber use exceed the public values derivable from timber growing.

FOREST RESOURCE MANAGEMENT

0334.4

To encourage the prudent and responsible forest resource management which is the intent of the Legislature, continuing efforts will be required (1) to fully use, maintain and enhance the productive capacity of forest soils; (2) to stock and to manage young stands of timber so as to increase their rate of growth in volume and/or quality, subject to maintaining soil fertility; (3) to fully utilize, consistent with other goals, both the mature timber and what would otherwise be normal mortality in young stands; and (4) to encourage efficient harvesting, processing, and manufacturing of wood and wood products. Pursuant to these objectives, the Board will:

A. Include in recommended research programs (1) studies designed to monitor and assess the long-term effects of various regimes of forest management on timber site fertility; (2) studies to develop optimum treatment regimes for representative timber stands; (3) studies to determine optimal stocking; and (4) surveys of size class distributions of public and private lands;

B. Encourage public agencies and private concerns engaged in forest products research to study timber quality characteristics, to assess trends in timber demand as they may affect needs for wood of varying qualities, and to develop new harvesting and processing technologies suited to utilizing available wood supplies effectively in the light of market needs;

C. Develop and encourage adoption by private timberland owners of forest management standards designed to maintain or improve site productivity, timber growth, and utilization;

D. Encourage adoption, by both public and private owners, of forest management standards designed to optimize the growth in volume or quality of timber on those forest lands designated for timber growing;

E. Promote reforestation of unstocked and understocked lands;

F. Encourage, by service forestry and other methods, recognition by small timberland owners of their importance to continuity of timber supply in California and of the benefits to be derived from actively managing their timbered property.

TIMBER SUPPLY INFORMATION, RESEARCH AND ANALYSIS

0334.5

Although past research and analysis have provided a significant body of information about forests and forestland in California, maintenance of an adequate timber supply policy requires continuing research and analysis. Environmental, economic, and social data must be updated continually if policies are to be kept current. As human pressures on resources increase and as more is learned about the nature of resources, new areas of investigation must be studied. Information and research related to timber supply policy are continually being developed by numerous organizations. Such data needs to be brought together and analyzed in ways that are significant for public policy formation. It is the policy of the Board, in the discharge of its responsibilities for research and information programs, to encourage cooperative and coordinated efforts by the several research, information, and operating agencies within the State to develop a strong and continuing system of forest resource research and analysis as an integral part of the State's policy for maintenance of the timber supply. Further, the Board recognizes the need to develop, organize, and publish this information on a regular basis for the benefit of timber growers and for the people of the State.

FOREST TAXATION

0336

GENERAL

0336.1

Consistent with its policy on maintenance of timber supply and pursuant to its responsibility to determine, establish, and maintain adequate forest policies, the Board has found that:

- A. Encouragement of timber growing and maintenance of forest land in production of forest products are of basic importance to the people of California. Such encouragement and maintenance can be fostered by enlightened taxing policies;
- B. As trees take many years to mature, growing and harvesting of timber requires investment for long periods of time before income can be derived. During this time, trees are subject to fire, insects, disease and other unpredictable or uninsurable factors. Compounding high risk are annual holding costs, including taxes, which over time make it expensive to keep timber to its best growing age;
- C. Productive forest lands are often located near areas subject to development and recreational uses. These uses carry high land values which, if assessed for tax purposes to adjacent timberland, can lead to property tax values far above those which can be sustained by growing timber on these lands. Consequently, without corrective policy action, tax pressure can force or support withdrawal of productive timberland to non-timber uses.

TAX TREATMENT FOR TIMBERLAND

0336.2

In order to protect the forest land component of timber growing, and consistent with Section 3(j), Article XIII of the California Constitution, which declares that systems of forest taxation should provide for the continued use of timberlands for the production of trees for forest products and should provide for land-use restrictions based on this use, the Board has found that:

- A. Systems of forest taxation should adequately provide for restriction of timberland to growing trees and compatible uses, with particular emphasis on protecting highly productive land;
- B. Land restricted to timber growing should be valued for taxation purposes according to its worth derived from adjacent land used for non-timber purposes.

TIMBER TAXATION

0336.3

In order to protect the timber component of the forest production base, the Board has found that it is in the public interest:

- A. To support development of systems of Federal and State income taxation which provide appropriately for the long-term nature of timber growing enterprises;
- B. To support development of methods of property taxation which relate the timing of taxation to periodic income to be derived from forestry uses and which do no deter long-term forest management.