

AGREEMENT FOR SHARED STEWARDSHIP OF CALIFORNIA'S FOREST AND RANGELANDS

Between the STATE OF CALIFORNIA And the USDA, FOREST SERVICE PACIFIC SOUTHWEST REGION

This MEMORANDUM OF UNDERSTANDING (MOU) is hereby made and entered into by and between the State of California, hereinafter referred to as "the State," and the United States Department of Agriculture (USDA), Forest Service, Pacific Southwest Region, hereinafter referred to as "the U.S. Forest Service" and together referred to as "The Parties."

TITLE: Agreement for Shared Stewardship of California's Forests and Rangelands

PURPOSE:

This MOU establishes a joint framework to enhance science-based forest and rangeland stewardship in California. The U.S. Forest Service and the State of California commit to maintain and restore healthy forests and rangelands that reduce public safety risks, protect natural and built infrastructure, and enhance ecological habitat and biological diversity. The Parties agree to develop shared tools, coordinated processes, and innovative approaches to increase the pace, scale, and effectiveness of forest and rangeland stewardship in California.

The U.S. Forest Service and the State of California, through the California Natural Resources Agency, make this commitment in accordance with the following provisions.

STATEMENT OF MUTUAL BENEFIT AND INTERESTS:

Restoring healthy forests and rangelands in California will yield both ecological and community benefits. Healthy forests will improve climate resilience and reduce the risk of catastrophic wildfire, safeguard water quality and air quality, protect fish and wildlife habitat, enhance biological diversity, sequester carbon, improve recreational opportunities, and generate good jobs and economic opportunities.

BACKGROUND:

Home to some of the largest, tallest and oldest trees in the world, rich biological diversity, vast watersheds, and spectacular recreation, the grandeur of California's wildlands has captivated generations. California's forests naturally adapted to low-intensity fire, nature's preferred management tool, but Gold Rush-era clearcutting followed by a wholesale policy of fire suppression resulted in the overly dense, ailing forests that dominate the landscape today.

Compounding risks have made it nearly impossible for nature to self-correct. A cycle of catastrophic wildfires, longer fire seasons, severe drought, intense wind, tree mortality, invasive species, and human population pressure threaten to convert conifer forests to shrublands and shrublands to invasive grasses.

The health and wellbeing of California communities and ecosystems depend on urgent and effective forest and rangeland stewardship to restore resilient and diverse ecosystems.

With California's landscape heavily divided among multiple landowners, coordinated stewardship is critical to success. The U.S. Forest Service's Pacific Southwest Region manages over 20 million acres across 18 National Forests in California. The State of California has nearly 14 million acres of private or state-owned forested lands within its jurisdiction. Together this represents over one-third of California's landmass.

In August 2018, the USDA announced a new Shared Stewardship Investment Strategy, committing to establish shared stewardship agreements with state partners throughout the nation. The USDA strategy outlined three core elements:

1. Manage together. Establish a joint forest stewardship plan to combine capacity and assets to achieve shared goals across jurisdictions.
2. Do the right work in the right places at the right scale. Identify and prioritize forest treatments and other investments that can do the most good to protect the most vulnerable communities, watersheds, fish and wildlife habitat, and economies.
3. Use all available tools for better stewardship. Utilize all available authorities, investments and programs to do more work on the ground, which includes carefully managed fire, appropriate timber harvest, non-commercial mechanical treatments, infrastructure maintenance and improvement, and other habitat and watershed restoration activities. Work with partners and stakeholders to utilize appropriate tools for each project.

California's Shared Stewardship Agreement will enable the Parties to increase pace and scale of science-based forest and rangeland stewardship efforts, and better protect California's people, infrastructure, and ecosystems. It is incumbent upon us to restore California's forest through stewardship that returns natural fire regimes to the landscape and restores the natural functions of California's ecosystems.

PRINCIPLES:

1. **Utilize Science:** Use science to inform and prioritize stewardship decisions. Adapt stewardship tools and techniques around improvements in scientific understanding. Support long-term research and studies to deepen our understanding of forest management. Use the best technology and tools to acquire accurate and detailed data. Share data, maps, and analyses and assess any gaps or duplication. Apply this science to all management techniques to ensure the right management plan support the right ecology, including taking into account California's wide variance in fire return intervals for shrublands vs. conifer forests.
2. **Prioritize Community Safety and Ecology:** Manage risk across broad landscapes by prioritizing vulnerable communities and ecosystems for improved fire suppression and

prevention capabilities. Protect vulnerable communities by expanding wildfire risk models beyond fire-prone topography and vegetation to include socioeconomic factors such as age, car ownership, disability, and ingress or egress corridors that hinder evacuation. Ensure that all management plans and projects incorporate ecological goals and protections to avoid solving one problem by creating another.

3. **Improve Efficiency:** Adopt efficiencies and streamlined regulatory procedures to quickly and effectively complete environmental review while maintaining environmental safeguards and opportunities for public engagement. Streamline and synchronize permits through on-line permitting systems. Utilize all tools available including but not limited to, state-delivered landowner technical assistance, forest health assistance, wildland fire suppression, prescribed fire, State and private forestry programs, Good Neighbor Authority and other Farm Bill authorities.
4. **Scale Up Ecologically-based Forestry Across Sectors:** Evaluate and deploy available resources such as staff and funding for targeted investment to help local governments, small landowners, tribal governments, and businesses scale up sustainable ecological forest management efforts that deliver multiple ecological and social co-benefits. Explore opportunities to leverage public-private partnerships and investments. Government investments should act as a force multiplier for private and local funds.
5. **Coordinate Land Management:** Wildfires don't stop at jurisdictional boundaries. Work with landowners, including small landowners, tribal governments, utility companies and owners of road rights-of-way to promote consistent, efficient, economic and environmental forest stewardship across a contiguous landscape.
6. **Collaborate and Innovate with all Stakeholders:** Utilizing the Governor's Forest Management Task Force, coordinate and collaborate with environmental and non-governmental organizations, academic institutions and other federal and state agencies, tribal governments, local governments, and private landowners. Consistent and clear communication and collaboration will result in more effective policy outcomes, foster better public understanding, encourage constructive engagement across multiple stakeholders and promote effective stewardship, problem-solving and decision-making. The Parties will embrace new thinking, innovation, and take measured risks to seize opportunities for shared success.

ACTIONS:

The Parties commit to the following actions to advance shared stewardship opportunities:

1. **Treat One Million Acres per Year:** The Parties will scale up vegetation treatment to one million acres of forest and wildlands annually by 2025, committing to each sustainably treat 500,000 acres per year. Treatments will follow a joint plan and will be driven by public safety and ecological goals including reducing wildfire impacts in high priority areas and maintaining or restoring healthy, resilient forests and rangelands.

2. **Develop a Joint Plan:** The Parties will develop a coordinated, statewide, 20-year project plan by 2021 for forest and vegetation management. This plan will be based on landscape level analysis, risk assessment and other relevant methods and will be updated at five-year intervals. This plan will be captured on a master map that includes recently completed, ongoing and planned vegetation management and forest thinning projects across State, Federal and private landowners. This project map will overlay landscape level risk assessments including ecological, wildfire and community risks, identifying any gaps and highlighting the highest priority areas. The Parties will consult with, and seek input from, tribal governments, local governments, other state and federal agencies, NGOs and other stakeholders in developing and updating this map. This map will be shared publicly to foster coordinated planning, dialogue and feedback among community and environmental stakeholders.
3. **Use Sustainable Vegetation Treatments:** The Parties will use science-based management to ensure vegetation treatment tools are ecologically appropriate to specific vegetation and landscapes. Treatments will include thinning in excessively dense stands, timber harvesting, mechanical fuel reduction, prescribed fire, grazing, and reforestation.
 - a. Expand Prescribed Fire: Expanding and accelerating the use of prescribed fire is key to effective stewardship at scale. The Parties will build public awareness about prescribed fire and develop tools to support expanding natural fire on the landscape.
 - b. World Class Research Forests: To effectively monitor treatment types and climate change, the Parties will establish a world-class monitoring and research program. Coordinating and expanding the existing network of 50-plus experimental forests in California, the Parties will partner with state and national parks, universities, and non-profits. Future sites can focus on non-forested areas like Southern California chaparral systems, ensuring that treatments are ecologically appropriate for non-conifer ecosystems.
4. **Expand Forest Management and Associated Infrastructure:** To increase the pace and scale of forest stewardship, especially for small landowners, the entire infrastructure behind forestry and vegetation management will need to expand, including the workforce, investments in projects and equipment, and technical support for small landowners to manage their land.
 - a. Improve Sustainable Timber Harvest: Californians purchase 7 billion board feet of lumber annually, but only 2 billion board feet is produced in the state. Given that California has some of the highest environmental standards for timber harvest in the world, producing California lumber could decrease demand for timber harvested with lower ecological standards. Given California's increasing housing needs and greenhouse gas emission goals, California has a direct interest in consuming ecologically sourced lumber. Improving ecologically and financially sustainable timber harvest in California will support rural economies, reduce transportation emissions from imported lumber, stem conversion of forestland to developments, improve air and water quality, promote carbon sequestration, protect biodiversity and

most importantly reduce wildfire risk.

To enable landowners to better harvest and thin their forestland, the Parties will work to streamline permitting, support public-private partnerships, continue to incorporate the latest science-based management standards and provide technical support to help small landowners design and execute timber harvest. The Parties will explore incentives for ecologically beneficial harvest outcomes like multi-age class stands, stable carbon storage, and biological diversity. The Parties will identify tools to promote timber as a California agricultural product using labels like “California Grown” and better integrate timber into policies that prevent conversion of agricultural land. The Parties can also better support landowners adjacent to or within State or Federal land to achieve contiguous forest health.

- b. Increase Access to Capital: Shortages of equipment and resources for forest treatment is driving up the price per acre and slowing California’s capacity to restore forests. Parties will explore ways to incentivize investment in vegetation treatment equipment like masticators, chippers, and bulldozers and forest products processing facilities like mills. Parties will also support finance mechanisms like loan guarantees, revolving loan funds, and cooperative models to attract private investment.
 - c. Grow the Workforce: The Parties will support training and workforce development to increase the current labor pool available to meet the challenge of forest management, forest health and fuels reduction. The Parties will develop career pathways into forestry through high schools, community colleges, the California Conservation Corps, local certified conservation corps, and the Public Land Corps. Parties will promote alternative education venues such as vocational training targeted to specific professions such as timber faller, heavy machine operator, vegetation treatment crews, and ecological restorationists. State and Federal entities will work to avoid bottlenecks or oversight gaps.
 - d. Expand Landowner Agreements: Build on the existing fuels reduction MOUs and Good Neighbor Authority agreements to achieve efficiencies and increase support in forest and rangeland stewardship. Expand MOUs to include local governments, tribal governments, utility companies, consortiums of small landowners, and owners of road rights-of-way, like CalTrans and County Governments.
5. **Promote Ecological Co-Benefits**: In addition to public safety, recreation, job creation, and economic opportunity, restoring the ecological function of California forests will yield multiple ecological co-benefits. These include habitat protection, watershed health, air quality, and carbon sequestration.
- a. Protect Biodiversity: California is a world biodiversity hotspot. Among the 50 states, California is home to more species of plants and animals and the highest number of species found nowhere else. Protecting and fostering that diversity is both fundamental to the citizens of California and will help to reduce wildfire risk. The California Biodiversity Initiative highlights state agencies roles to understand the

threats to biodiversity, protect native species, manage natural and working lands to promote biodiversity, and promote partnerships to achieve biodiversity protection. The Parties will incorporate increased biodiversity into forest management plans and prioritize vulnerable habitats and species for protection and restoration.

- b. Protect Water Resources: California's forested watersheds function as critical natural infrastructure for wildlife and people. Catastrophic wildfire devastates both the natural and built infrastructure endangering California's drinking water. By prioritizing vulnerable watersheds for restoration and vegetation treatment, our work will protect and purify California's water supply for communities, agriculture, and critical fish and wildlife habitat. Much of California's physical water infrastructure including reservoirs and pipelines run through high risk fire zones. The Parties will focus on protecting water systems against damaging wildfire effects from the forest to the faucet.
- c. Carbon Sequestration: The mega-fire phenomenon has turned California's forests into carbon emitters rather than carbon sinks. Well-managed forests provide a significant source of stable carbon storage. The Parties will manage for carbon sequestration by thinning dense stands and undergrowth and promoting growth of large trees, which provide hundreds of years of carbon storage. The Parties will work with experts like the California Air Resources Board to establish forest-specific carbon accounting techniques to incentivize stable carbon storage.

6. **Develop Markets for Wood Products and Recycle Forest Byproducts**: The byproduct of forest management projects are limbs and small trees referred to as woody biomass. Currently woody biomass is either piled and burned in the forest or left to rot, diminishing air quality, increasing wildfire risk, or emitting green-house gasses. As pace and scale of forest management increases, it is imperative to develop cleaner and more sustainable alternative uses for woody biomass. Developing markets for wood products includes:

- a. Innovation: The Parties will explore innovative uses for wood products and establish a strategy to signal, subsidize, or incubate alternate uses for woody biomass products. Innovative products like cross-laminated timber, gasification, or cellular reconstruction, sequester carbon or provide carbon-efficient alternatives to fossil fuels and building materials such as steel and concrete.
- b. Biomass Energy: To avoid mass pile-burning, biomass energy will be a key component of forest recycling. To site or support new facilities, the Parties will use the principles of right scale, right place, right technology taking externalities into account like air quality impact, environmental justice, and wildfire avoidance. The Parties will help identify and untangle market distortions, inefficiencies, and obstacles to the use of forest waste for alternative energy.
- c. Supply Signals: Investors are unlikely to build wood product facilities for logs, small logs, and woody biomass without a sustainable, uninterrupted raw material supply. The Parties will make their Joint Plan public so investors will know when and where

wood supply will be available. The Parties will work with stakeholders to develop additional supply signal tools to guarantee multi-year supply contracts and incentivize new investments in wood processing facilities in California.

7. **Improve Access to Sustainable Recreation:** Foster a range of forest and wildland opportunities that reflect the needs of and better serve California's diverse population. The Parties will pursue mission-appropriate and sustainable recreation opportunities in ways that leverage resources and extend capacity through partnerships and alignment around a shared vision of access and diversity. Examples include improved transportation opportunities, more affordable lodging options, increasing accessible trails and facilities, and targeting low income communities that lack access.
8. **Fire-Adapted Communities:** Identify and protect communities most vulnerable to fire impacts. These vulnerability factors include proximity to high fire risk, communities without good ingress or egress corridors and socioeconomic factors that hinder evacuation such as age or car ownership. The Parties will work together to improve fire suppression and fire prevention capabilities that safeguard communities, including but not limited to, these vulnerable populations.
9. **Advance Science and Share Monitoring and Data Analytics:** Leverage scientific expertise and capacity to maintain healthy and resilient forests in a changing climate. Coordinated data will enable stakeholders to adapt priorities and management techniques to the dynamics of California's changing ecosystems. The Parties will:
 - a. Consolidate Data: Consider co-locating data teams from State and Federal agencies to reduce redundancy and improve efficiency. Establish joint monitoring methods, joint protocols, and work on developing a single, statewide shared data set that all Parties can utilize and update.
 - b. Ecological Monitoring: Consistently monitor forest health, carbon sequestration, biological diversity, watershed quality, and other parameters that impact forest and wildlands in California. The Parties will coordinate closely with environmental organizations and universities to ensure monitoring techniques are addressing the most current ecological concerns.
 - c. Research and Innovation: Support long-term research and monitoring efforts. Enhance surveying and monitoring programs such as the Forest Inventory and Analysis program with joint funding contributions, allowing a greater number of monitoring installations to be remeasured more frequently.

MUTUAL UNDERSTANDING AND AGREEMENT BETWEEN THE PARTIES:

- A. The Parties are bound by all applicable federal, state, and local statutes and regulations. If conflicts arise, the Parties will evaluate how authorities can best achieve the goals of a project.

- B. The Parties will protect sacred sites and preserve cultural resources and take all necessary actions to protect data collected from Native American tribes.
- C. All Parties will communicate on a regular basis to enhance and develop the institutional arrangements necessary to facilitate the purposes of this MOU.
- D. The Parties will meet at least twice a year to evaluate progress on the MOU and will meet regularly with stakeholders including the environmental community, local government, tribal governments, and industry.

NONBINDING AGREEMENT. This MOU creates no right, benefit, or trust responsibility, substantive or procedural, enforceable by law or equity. The Parties shall manage their respective resources and activities in a separate, coordinated, and mutually beneficial manner to meet the purpose(s) of this MOU. Nothing in this MOU authorizes or requires either of the Parties to obligate or transfer anything of value.

Specific, prospective projects or activities that involve the transfer of funds, services, property, and/or anything of value to, from, or between the Parties requires the execution of separate agreements and are contingent upon numerous factors, including, as applicable, but not limited to: availability of appropriated funds and other resources and administrative, regulatory, and legal requirements (including authorization by statute).

This MOU neither provides, nor meets these criteria. If the Parties elect to enter into an obligation agreement that involves the transfer of funds, services, property, and/or anything of value to, from, or between the Parties, then the applicable criteria must be met. Additionally, under a prospective agreement, each party operates under its own laws, regulations, and/or policies, and any obligation of the Parties is subject to the availability of appropriated funds and other resources. The negotiation, execution, and administration of these prospective agreements must comply with all applicable authorities.

Nothing in this MOU is intended to alter, limit, or expand the Parties' statutory and regulatory authority.

I. AUTHORIZED REPRESENTATIVES


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8/12/2020


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