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## **Governor George W. Bush's Plan For: Building Conservation Partnerships**

*“Since the days of Teddy Roosevelt, there has been a consensus that Americans have a common interest in protecting our natural lands and watersheds. As President, I will speak for that great national goal. It is our duty to use the lands well, and sometimes not to use them at all. It is our responsibility as citizens, but more than that it is our calling as stewards of the earth.”*

*- Governor George W. Bush*

### **EXECUTIVE SUMMARY**

In addition to its role as manager of our National Parks System, National Forests, National Wildlife Refuges and Bureau of Land Management holdings, the federal government should provide the scientific and financial resources to help states, local communities and private landowners conserve wildlife habitat, watersheds and open space. The United States has a long and proud history of local and private stewardship, which is best accomplished through cooperative efforts among federal and state government, local communities and conservation groups, and private landowners. Governor Bush is announcing today a five-point plan to provide resources for conservation and encourage more Americans to take an active role in protecting natural resources and wildlife:

To ensure conservation of America's natural resources and facilitate state and local conservation, Governor Bush will:

- **Fully fund the Land and Water Conservation Fund and provide 50 percent for state and local conservation efforts.**

To establish positive incentives for private landowners and local communities to preserve land and protect rare species, Governor Bush will:

- **Provide matching grants for states to establish a Landowner Incentive Program to help private landowners protect rare species while engaging in traditional land management practices, and establish a Private Stewardship Grant Program to provide funding for private conservation initiatives.**

To encourage private conservation, Governor Bush will:

- **Establish the President's Awards for Private Stewardship to recognize and honor the best examples of private conservation.**

To encourage the protection of environmentally important land for conservation purposes, Governor Bush will:

- **Create a tax incentive to provide capital gains tax relief for private landowners who voluntarily sell their land for conservation purposes.**

To make it easier for private landowners to pass their land, intact to the next generation, Governor Bush will:

- **Eliminate the estate tax.**

## **The Federal Conservation Legacy of Theodore Roosevelt**

Theodore Roosevelt was the first American President to awaken the American consciousness to the importance of conservation. It was Roosevelt who noted, “The nation behaves well if it treats the natural resources as assets which it must turn over to the next generation increased, and not impaired, in value.”

Beginning with Roosevelt and the establishment of the National Forest Service at the turn of the century and continuing through the enactment of the Endangered Species Act in 1973 and beyond, the federal government has played a primary role in the conservation of land and water. As a result, Americans today share a proud conservation legacy, which is best symbolized by the 378 units – including the 55 National Parks – of the National Park System which cover approximately 83.6 million acres.

## **The Successes of Private Conservation**

While federal conservation efforts may be better known, private conservation has long been a driving force behind American habitat and wildlife conservation. In the 1890s, the first land conservation trusts emerged through private sector efforts. Today, The Nature Conservancy estimates that there are more than 1,000 local land trusts in America, and they continue to form at the rate of one a week.

One of the greatest success stories of private conservation in the 20<sup>th</sup> century is the preservation of the nation’s wetlands, which came in response to the damage done by the drought of the Dust Bowl Era. Programs such as the Duck Stamp, which raised revenue for conservation of wetlands, grew out of a broad coalition of people with a personal interest in preserving wetlands – sportsmen, private conservation groups, and state wildlife agencies. Today, private, non-profit foundations manage at least one million acres of wildlife refuges for a wide variety of species and operate at least 11,000 duck-hunting clubs that protect between five to seven million acres of wetlands.

Private conservation is necessary because:

- Almost two-thirds of all land in the United States is privately owned; and
- About 75 percent of endangered species reside on private land.

Private Conservation works because it recognizes that people who live and work in and around open spaces have a personal stake in the future of their own backyards. These local stakeholders are the ones who know the land best and care about the places and ways of life they are attempting to conserve.

## **The Role of State Government and Local Communities in Encouraging Local and Private Conservation**

Over the past decade, states and local communities have recognized the potential of private conservation to go beyond the minimum established land and wildlife protection programs. In general, these state and local programs embody four main principles:

- Prioritizing problem-solving over process;
- Encouraging innovation through the use of positive incentives rather than the threat of punishment;
- Understanding the need to balance the competing interests and goals of traditional land management practices, like farming and ranching, and environmentalism; and
- Recognizing private property rights.

For example:

- In Texas, the Private Lands Enhancement Program provides technical assistance to landowners wanting to include wildlife management considerations in their land use practices. Under the program, wildlife biologists from the Texas Parks and Wildlife Department work one-on-one with private and public land managers to develop management plans for preserving or enhancing habitat. Today, nearly 10 million acres in Texas are under wildlife management plans.
- In Wyoming, the state has developed the Coordinated Resource Management strategy, comprised of voluntary, landowner-initiated, problem-solving teams that use science, common goals and consensus to resolve natural resource issues. Currently, there are over 65 local teams which are using this public-private approach to resolve natural resource issues at the local level. The state is also applying the CRM strategy to watershed planning in an effort to resolve water quality issues.
- In the Northern Forests of New England, New York and Vermont, The Conservation Fund, local land trusts, private donors, and timber investors have worked together to conserve over 200,000 acres of private lands with conservation easements on lands previously owned by Champion International. Valuable wildlife habitat, critical watersheds, spectacular vistas and premier outdoor recreational opportunities will be protected on these working landscapes, while the economic benefits of local jobs will help sustain neighboring communities for the long term.

## The Role of the Federal Government in Encouraging Conservation Partnerships

*“ We have a national consensus. But problems arise when leaders reject partnership, and rely solely on the power of Washington – on regulations, penalties, and dictation from afar. The federal government and the states, local communities and private landowners must respect and work with one another to preserve our natural heritage... to provide flexibility, decentralization and positive incentives to involve more Americans in the responsibility of conservation.”*

*– Governor George W. Bush*

Governor Bush believes that protecting our natural resources will require cooperation among federal, state and local governments, conservation organizations and private landowners. As President, Governor Bush will ensure that the federal government provides adequate resources to protect our natural resources and plays an active role in facilitating local and private conservation. Accordingly, Governor Bush is announcing today a five-point plan to build cooperative conservation partnerships between the federal government and state governments, local communities and private landowners.

### **Proposal 1: Fully Fund the Land and Water Conservation Fund and Provide 50 Percent for State and Local Conservation Efforts**

Thirty-five years ago, Congress created the Land and Water Conservation Fund (LWCF), one of the most successful and far-reaching pieces of conservation legislation in America’s history. The LWCF, which is principally funded from the revenues from oil and gas drilling on the outer continental shelf, is designed to fund federal, state and local conservation, natural resource protection and outdoor recreation.

At their peak in fiscal year 1978, appropriations from the LWCF nearly reached their authorized level of \$900 million annually. By 1997, the LWCF had provided a total of \$5.6 billion to purchase new federal park and recreation lands and about \$3.2 billion in matching grants to states and local communities for the creation, development and improvement of over 37,000 parks and outdoor recreation facilities across the country.

Over time, however, the federal government has rarely maintained full funding for the LWCF’s federal component, and has forgotten its vital state and local conservation function. For example, funding for the federal component was less than half of the authorized amount in five over the last six fiscal years. Moreover, the state and local portion of the LWCF has significantly declined from approximately one-third of all appropriated funds since the law was implemented in 1965, to no funds in the last five fiscal years.

Governor Bush believes more should be done to protect natural resources and build cooperative conservation partnerships between federal and state governments, local communities and private landowners. Therefore, as President, Governor Bush will:

Fully Fund the Land and Water Conservation Fund and Provide 50 Percent of the LWCF for State and Local Conservation: Governor Bush will encourage reinvestment in America's natural resources by fully funding the LWCF. Governor Bush will also require that 50 percent of the \$900 million LWCF be provided for state and local conservation. In spending the federal portion of the LWCF, Governor Bush will require that federal land purchases be made from willing sellers, and any federal conservation initiative will include the input and participation of local, affected communities and stakeholders. Governor Bush will emphasize the use of a wide range of innovative conservation tools beyond traditional land acquisition, including technical and financial assistance to landowners, rehabilitation of existing land holdings, conservation easements and the purchase of development rights. The LWCF is currently funded at almost \$500 million (all federal). This proposal to nearly double LWCF funding will cost about \$2 billion over five years.

**Proposal 2: Provide Resources to Encourage Private Land and Wildlife Conservation**

In 1997, Texas launched the Landowner Incentive Program, an innovative government program –the first of its kind in the nation – that offers positive incentives for private landowners to protect rare species and restore habitat while engaging in traditional land management practices, like farming and ranching.

The goal of the Landowner Incentive Program is to provide positive incentives and encourage voluntary stewardship as an effective means of achieving rare species conservation on private lands. This incentive program is particularly important since about 75 percent of endangered species reside on private land, and about 97 percent of Texas is privately owned. Regulatory programs, like the Endangered Species Act (ESA), can only prevent landowners from engaging in activities that may harm an endangered species; such programs cannot require private landowners to do more to restore habitat for such species. The disincentive built into the ESA for landowners to become private stewards of wildlife is what Michael Bean of Environmental Defense has called the “Achilles heel” of the ESA.

The Texas Landowner Incentive Program recognizes that to recover rare species that are dependent on private lands, cooperative efforts to restore habitat are essential. To be eligible for the Landowner Incentive Program in Texas, a private landowner must show that the proposed project will contribute to the enhancement of at least one rare species or its habitat. Participating landowners work with state biologists to assess the progress of their conservation efforts. They may receive up to \$10,000 a year for as long as five years, but they are expected to contribute at least 20 percent of the total cost of the project.

The Landowner Incentive Program has made impressive gains, benefiting almost 30 rare species in 16 Texas counties. Funded projects include Lesser Prairie Chicken habitat restoration in the Panhandle, rare plant propagation in the Hill Country, Ocelot habitat restoration in the Lower Rio Grande Valley, and Attwater's Prairie Chicken habitat restoration on the coastal plains.

As the Governor of a state where 97 percent of the land is privately owned, Governor Bush recognizes that conservation in the 21<sup>st</sup> century will require a range of tools, including providing technical and financial assistance for landowners to encourage private stewardship. He believes offering positive incentive programs to assist private landowners in protecting and managing rare species can have a direct and positive impact on the conservation of such species. Therefore, as President, Governor Bush will:

Encourage States to Establish a Landowner Incentive Program: Governor Bush supports devoting \$50 million of the federal portion of the Land and Water Conservation Fund to provide matching grants to states to establish their own Landowner Incentive Programs. These state programs will provide technical and financial assistance to private landowners all across the country and will help them enhance habitat for rare species, while continuing to engage in traditional land management practices.

One obstacle facing individuals and local groups interested in land and wildlife conservation is the challenge of raising the necessary funds to purchase land or enhance habitat. That is why, as President, Governor Bush will:

Establish a Private Stewardship Grant Program: Governor Bush supports devoting \$10 million of the federal portion of the Land and Water Conservation Fund to establish a Private Stewardship Grant Program. Individuals and groups engaged in local, private conservation will be able to apply for a grant to help fund their projects. A diverse panel of representatives from state and federal government, conservation organizations, agriculture interests and the science community will assess the applications and make recommendations on winners to the Secretary of the Interior, who will award the grants.

### **Proposal 3: Recognize and Honor the Best Examples of Private Conservation**

America owes a debt of gratitude to every private citizen and local conservation group who, in the spirit of Theodore Roosevelt, devotes time, resources and energy to enhancing the natural world. All too often, however, all that is reported are the rare cases where individuals do not act as good stewards of the land or protectors of wildlife.

Private citizens who excel in habitat management and wildlife conservation should be recognized, and the best examples of sound natural resource management practices should be promoted. Most importantly, the important role of America's private landowners in the future of natural resources conservation should be emphasized. Therefore, as President, Governor Bush will:

Establish the President's Awards for Private Stewardship: The purpose of these awards will be to recognize outstanding examples of private stewardship in every state. It will also serve as a way to publicize innovative techniques in natural resources management, encourage more people to get involved in private conservation, and build trust between private individuals and public servants in the field of conservation. Nominations will be accepted from every state wildlife or natural resources protection agency, and every year, the President will issue up to 50 of these awards.

#### **Proposal 4: Create a Conservation Tax Incentive for the Sale of Land**

Incentives for private conservation currently exist in the tax code, but only for charitable contributions. For example, a private landowner may place his land in a perpetual conservation easement, giving up the development rights to the land, and may donate the easement to a non-profit conservation group or government agency. The landowner continues to hold the title to the land, but may deduct the value of the donated easement from his income tax liability.

There are many landowners, however, who cannot afford to donate land in perpetuity for conservation purposes. Moreover, when the most ecologically sensitive land goes on the market, it is often lost to development because conservation groups do not have the financial resources to compete with a developer.

Governor Bush believes it is necessary to provide an incentive to private owners of ecologically important land to sell it for conservation purposes, while making it easier for conservation groups to make a financially attractive offer on land with the most important conservation value. Therefore, as President, Governor Bush will:

Provide Capital Gains Tax Relief for Sales of Land for Conservation Purposes: Governor Bush supports excluding 50 percent of any gain realized from private, voluntary sales of land or interests in land for conservation purposes. The land must be used to protect wildlife or plant habitat or open space for agriculture, outdoor recreation or scenic beauty to qualify for the tax incentive. The annual cost of this conservation tax incentive is \$66 million, but The Nature Conservancy estimates that this incentive would protect land valued at approximately \$100 million a year, thereby leveraging federal tax expenditures.

#### **Proposal 5: Eliminate the Estate Tax**

The estate tax is an impediment to private conservation, as it has often led to the breaking up of and development of family farms and ranches, open spaces and habitat for many species of plants and wildlife. The estate tax, which can be as high as 55 percent, serves as a powerful disincentive for cash-poor but land-rich individuals – particularly farmers and ranchers – who are forced to sell a portion of their land, sometimes to developers, to pay the tax. That is why, as President, Governor Bush will:

Eliminate the Estate Tax: The elimination of the estate tax will make it easier for private landowners to pass their land, intact, from one generation to the next. The cost of eliminating the estate tax is \$55 billion over five years. This has already been included in Governor Bush's tax plan.