Nonindustrial Private Forest Landowners and Sources of Assistance

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Nonindustrial private forest (NIPF) lands make up a large and important portion of the forested land base in the U.S. Forest management decisions on these lands have important impacts on the nature and level of benefits derived from the land. This chapter will review some important findings about NIPF owners as they relate to forest landowner cooperatives.

About NIPF Owners

Collectively, NIPF landowners are tremendously important to the condition of forested ecosystems and forest-dependent businesses. In 1994, NIPF lands in the United States totaled 232 million acres, or 59 percent of the total forest land (Birch 1996). NIPF lands account for a higher percentage of forest land in the Eastern United States than in the West.

NIPF landowners also accounted for 60 percent of all United States timber removals in 1997. This percentage is projected to rise between 1997 and 2050, particularly in the East (Haynes et al. 1995). The availability of timber from private forest lands is important to the long-term viability of domestic timber-producing companies and the people who work for them.

Figure 1.—Parcelization is a potential threat to the long-term productivity of our forest land. (Photo credit: NCRS Image Library).

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NIPF parcels are becoming more numerous and smaller. This process, called parcelization, poses a potential threat to the long-term productivity of the forested land base. Between 1978 and 1994, the total amount of private woodlands increased by about 27 percent. However, during the same period, the total amount of this land in parcels of less than 100 acres increased by 73 percent, from 72 million to 124 million acres (Birch 1996). Most forest management activities are less economically feasible on smaller parcels than on larger parcels (Row 1978). Parcelization therefore has the potential to reduce forest land productivity (Kline et al. 2004). The potential diseconomy of scale of managing forests on so many small parcels has been a concern for the forestry community for many years (Alig et al. 1990, Skok and Gregersen 1975).

Despite the potential benefits of a high level of timber harvest from NIPF lands, management for timber is not a primary objective for many NIPF landowners. Numerous studies have found that most NIPF landowners consider financial returns from harvesting timber on their land to be of relatively minor importance (Alig et al. 1990, Bliss and Martin 1989, Elwood et al. 2003, Young and Reichenbach 1987). For many owners, nonmarket amenities and services such as wildlife habitat, recreation, and solitude are of greater interest.

Figure 2.—For many nonindustrial private landowners, activities such as wildlife viewing are the primary reason for owning and managing their land. (Photo credit: R. Haack, NCRS).
NIPF landowners consult a variety of information sources in making forestry decisions. Studies in Michigan (West et al. 1988) and Minnesota (Baughman et al. 1998) suggested that landowners prefer to obtain information from neighbors or peers rather than more distant sources. This preference may favor the development of landowner groups that foster dialogue among local landowners.

**Existing Sources of Assistance**

Most individual NIPF landowners have little knowledge or day-to-day access to information for making forest management decisions. Nor do they typically have an important financial incentive to find this information, because most do not consider financial returns to be a primary management concern. Nonetheless, numerous sources of information, technical assistance, education, and money are available to help NIPF landowners make and implement smart decisions for managing their forests. This section introduces and briefly discusses some of the most important sources of information and assistance available to most NIPF owners.

Technical assistance, cost sharing, education, and other programs provide NIPF landowners with information and assistance in the management of their woodlands. These initiatives and the research behind them have focused on the NIPF “problem” of relatively low timber harvest levels. By most assessments, these programs have been both efficient and effective (Cubbage et al. 1987, Esseks and Moulton 2000, Skok and Gregersen 1975).

**Technical Assistance**

Technical assistance programs offer NIPF landowners access to the services of professional foresters, soil conservation experts, or other natural resource professionals for reduced, or no, fees. Technical assistance also includes access to extension and other educational programs and resources. The most common services provided are direct, onsite forest management advice for landowners, education for landowners, and education for loggers, wood processors, and others (Cubbage et al. 1996, Egan et al. 2001). Assistance for landowners is designed to help them make informed decisions about what forest management activities to conduct and how to find resources necessary to implement them. Assistance for loggers is generally designed to promote the use of best forest management practices (BMPs) during timber harvest.

The availability of technical assistance programs has been shown to increase implementation of BMPs. In West Virginia, forest improvement practices recommended in a forest stewardship plan were more likely to be implemented than practices not recommended (Egan et al. 2001). Egan (1999) also found higher rates of implementation of BMPs on sales administered by a professional forester than on those in which a
forester was not involved. Landowners also frequently mention the educational value of working one-on-one with a professional forester. Although independent, paid consultants are available in most situations, technical assistance programs often reach landowners who would not be willing to spend the necessary money to hire a private consultant. These programs, then, play a critical role in making landowners aware of the services that professional foresters provide.

Technical assistance programs have been found to be efficient and effective. The Forest Stewardship Program offers NIPF owners free or low-cost management plan development services provided by public or private professional foresters. Many states also make professional foresters available to advise landowners as they consider options for timber harvests or other forest practices. Cubbage et al. (1985) found a benefit of $600 per acre in net present value from working with a service forester in Georgia. The same study found that working with a forester also increased stumpage (standing timber) prices paid to NIPF owners by 58 percent. A subsequent study conducted in Minnesota found similar results: the average bid price on aspen sales was $4.66 per cord on sales assisted by a forester and only $3.32 on sales not assisted by a forester (Henly et al. 1988). Similar studies in other states have found similar results, if less pronounced than in the original study (Cubbage et al. 1996).

The benefits of forest landowner assistance programs have been shown to accrue not only to individual landowners, but also to society. Cubbage et al. (1985) found that government investments in the Georgia Rural Forestry Assistance program consistently provided positive returns at the individual and social levels.

**Cost Share Programs**

Cost share programs are funded and administered at the Federal, State, and local levels. Most of these programs are funded by the U.S. Department of Agriculture, and many originated from initiatives to maintain or restore water quality or the productivity of the agricultural and forested land base. In 1987, 14 States offered their own cost share programs (Bullard and Straka 1988). These programs included free tree seedlings, fencing, timber stand improvement, reforestation, and other activities.

Financial support for reforestation activities helps to ensure a sustained supply of wood products. Payments to support erosion control devices, wildlife habitat features, and similar items help maintain clean water and viable wildlife populations. Most studies of the value of technical assistance and cost share programs found them to be efficient and effective (Bullard and Straka 1988, Cubbage et al. 1985, Henly et al. 1988). These and similar studies generally found net positive returns for investments in private forestry assistance, but to varying degrees. However, others questioned the value of public funds used to influence what might otherwise be free markets.
Cost sharing increases the impact of technical assistance programs (Esseks and Moulton 2000). Royer (1987) found that reforestation behavior among southern NIPF owners was highly sensitive to price and the availability of cost share assistance. Where reforestation costs were high and cost share funds were not available, less reforestation occurred. State and provincial forestry agency directors considered technical assistance and cost share programs to be the most effective policy tools to influence behavior on NIPF lands (Kilgore and Blinn 2004).

In a survey of forest management program leaders, financial and technical assistance (referred to as educational programs, technical assistance, and fiscal incentives) were found to be the three policy options perceived to be most effective (Cheng and Ellefson 1993). Education and technical assistance in particular were perceived to be highly effective and efficient.

**Education and Information**

The Cooperative Extension Service, woodland owner associations, forest landowner cooperatives, and other organizations offer information and educational opportunities to NIPF owners. Organizations like the American Tree Farm System (ATFS), the National Woodland Owners’ Association, and similar organizations at State and local levels are examples of woodland owner associations. As an example of the reach of these organizations, the ATFS currently has more than 65,000 members nationally, all of whom receive a monthly magazine with information landowners can use to better manage their woodlands.

![Figure 3](image.jpg)

*Figure 3.— Organizations such as Cooperative Extensions, woodland owner associations, and forest landowner cooperatives offer information and educational opportunities to nonindustrial private forest landowners. (Photo credit: E. Sagor).*
Regulatory Programs
Although they may exist for other reasons, forest practices regulatory systems can be important sources of information for landowners considering timber harvest. These systems can be voluntary or mandatory and vary widely in the practices covered (Ellefson et al. 1995). Although most program administrators consider mandatory regulations to be one of the least preferred program options (Kilgore and Blinn 2004, National Association of State Foresters 2001), regulatory programs do seem to be an effective way to achieve implementation of specified forest management practices (Henly et al. 1986).

A related development is the growth in non-State forest practices regulations in the form of forest certification systems. These voluntary systems are rapidly increasing in acreage and importance both in the United States and worldwide. They certify landowner compliance with a specified set of forest management procedures and practices. Although these systems are expected to continue to increase in importance, growth on NIPF lands is expected to trail that of other ownership types (Cashore et al. 2003).

Forest Landowner Cooperation
Although they have yet to reach a substantial number of landowners nationwide, examples of forest landowner cooperation are not hard to find. The Massachusetts Woodlands Cooperative (Barten et al. 2001) helps its NIPF owner members to obtain educational services, increased financial returns, access to equipment and professional expertise, and more. As we will learn in a later chapter, examples of forest landowner cooperation from other countries demonstrate that, in the right situations, these organizations can persist and provide value to their members.

Conclusions
The condition and trends across the United States describe a huge and widely dispersed population of small owners of a large land base. Collectively, the forest management decisions made by the members of this group will have important impacts on the availability of wood products for wood-using businesses. A diverse set of programs has been created to encourage active, sustainable forest management on NIPF lands. These programs have offered technical assistance, cost share payments, education, information, beneficial tax status, and other benefits, and the programs have had important impacts.

No single program can reach all landowners. Some studies (Bliss and Martin 1988, Egan 1997, Jones et al. 1995, Young and Reichenbach 1987) suggested that the forestry community’s focus on the timber “problem” may prevent some programs from reaching landowners with different interests. Participation in a forest landowner cooperative provides a different opportunity for landowners to become engaged in their communities.
and to find local, trusted sources of information about forest management opportunities. Their potential to involve new landowners makes the trend in new cooperative development worthy of further attention. Whether, and for how long, large numbers of NIPF owners get involved in forest landowner cooperatives may determine the impact that these organizations will ultimately have.

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