NORTH CAROLINA
DEPARTMENT OF AGRICULTURE
AND CONSUMER SERVICES

NORTH CAROLINA FOREST SERVICE

ANNUAL LEGISLATIVE REPORT ON N.C. PRESCRIBED BURNING MATCHING PROGRAM

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STATUTORY REQUIREMENT

PRESCRIBED BURNING MATCHING GRANT PROGRAM

SECTION 10.9. (a) Funds appropriated to the North Carolina Forest Service of the Department of Agriculture and Consumer Services for prescribed burning grants shall be used to support prescribed burns on privately owned forestlands that will maximize the benefits set forth in Article 80 of Chapter 106 of the General Statutes.

SECTION 10.9. (b) To be eligible for funding, prescribed burning projects must meet the following criteria:

(1) The project must comply with the requirement of Article 80 of Chapter 106 of the general Statues, as determined by the Forest Service.
(2) Funds provided by the program must be matched by funds from the landowner or other non-state sources. The required match shall be one non-state dollar ($1.00) for every state dollar ($1.00) for each acre of the first 99 acres for a landowner for whom prescribed burns are conducted in a calendar year and two non-state dollars ($2.00) for every state dollar ($1.00) for all other acres owned by the landowner for which a prescribed bun is conducted in the same calendar year.

SECTION 10.9.(c) The Department of Agriculture and Consumer Services shall report on its implementation of this section no later than Oct. 1, 2022, to the chairs of the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division.

EXECUTIVE SUMMARY

Prescribed burning is an important forest management and wildfire risk mitigation practice for woodland owners. As stated in the N.C. Prescribed Burn Act, “The General Assembly finds that prescribed burning of forestlands is a management tool that is beneficial to North Carolina's public safety, forest and wildlife resources, environment and economy.” North Carolina’s 2020 Forest Action Plan devotes an entire chapter to the practice, and numerous forest stakeholders continue to collaborate on efforts aimed at increasing prescribed burning capacity and the number of woodland acres burned annually.

Section 10.9 of Senate Bill 105 /SL 2021-180 (ratified Nov. 18, 2021) authorized a program titled “Prescribed Burning Matching Grant Program”. This was directly associated with funds appropriated to the N.C. Forest Service of the N.C. Department of Agriculture and Consumer Services to support prescribed burning on privately

owned forestlands. This language included the requirement of a programmatic implementation report being submitted to the N.C. Legislature no later than Oct. 1, 2022.

Less than three months after Legislative authorization, the N.C Forest Service was able to introduce this new program to woodland landowners. Between Jan. 26, 2022 and Aug. 30, 2022, the N.C. Prescribed Burning Cost Share Program was able to enroll 93 burning projects statewide with the potential to improve 5,180 acres of North Carolina woodlands. Approximately $101,639.60 of program funds were encumbered for these projects.

During that same period, 27 of those enrolled prescribed burning projects were able to be completed, improving 1,505 acres. The program provided $25,369.80 in cost share payments to reimburse part of the landowners' implementation costs. The remaining $30,675.00 of associated costs for implementing these prescribed burning practices were paid for by the woodland owners. Program accomplishments would have been higher had the program been implemented earlier in the year before the main fall/winter prescribed burning season.

The N.C. Forest Service and the forestry community are grateful for the legislative support and funding for the N.C. Prescribed Burning Cost Share Program and, to improve the program, this report identifies those opportunities for improvement. These recommendations are based on decades of experience administering highly successful forestry cost share programs for private woodland owners by the N.C. Forest Service. Some of these will require changes to legislative language and we hope these recommendations may be considered during the legislative long session in 2023.

PROGRAM OVERVIEW

Authorization and Implementation

Within three months of the 2021 legislative authorization, the N.C. Forest Service was able to develop and introduce this new program to North Carolina's woodland owners. Initial program efforts included the development of a program application form, program guidance handbook and a database for tracking project funding allocation and reimbursement payments. Interested landowners could begin applying to the program as of Jan. 26, 2022. A dedicated webpage was also created for landowners and resource managers for additional information about this program:

https://www.ncforestservice.gov/Managing_your_forest/burncostshare.htm

Funding

The 2021 North Carolina state budget authorized nonrecurring legislative appropriations of $1,000,000 for fiscal year 2021-2022 and 2022-2023. The 2022 state budget then approved recurring legislative appropriations of $1 million annually beginning in fiscal year 2022-2023.

Eligibility

To be eligible for program funding, prescribed burning projects must meet the following criteria:

(1) The project must comply with the requirements of Chapter 106, Article 80 of the general statutes (better known as the N.C. Prescribed Burning Act).
(2) Funds provided by the program must be matched by funds from the landowner or other non-state sources.

Legislative language requiring a match of program funding was outlined in Section 10.9.(b).2 as:

(1) One non-state dollar ($1.00) for every state dollar for each acre of the first 99 acres for a landowner for whom prescribed burns are conducted in a calendar year and;

(2) Two non-state dollars ($2.00) for every state dollar for all other acres owned by the landowner for which a prescribed burn is conducted in the same calendar year.

That prescriptive language, which combines a mixture of variables, such as varying match and reimbursement rates, acreages and calendar year when burn was conducted, has been identified as a significant challenge negatively impacting program landowner outreach, administration, and potential accomplishments. Recommendations for improvement are addressed in this report's last section.

Practices

Applicants may apply for funding to conduct three types of eligible prescribed burning practices which include:

- **Silvicultural Burning** – The use of prescribed fire to prepare areas for natural pine or oak regeneration, pre-commercial thinning to reduce competing tree density of undesirable species and the use of prescribed fire to manage for insects or disease concerns to promote forest health.
- **Hazard Reduction Burning** – The use of prescribed fire for the purpose of mitigating forest fuels to reduce the forestland risk of potential damage from wildfires.

- **Wildlife Habitat Burning** – The use of prescribed fire for the purpose of maintaining or creating improved forest, or open field conditions for desired plants, species and habitat.

The program offers two prevailing funding rates per acre depending on the entity conducting the prescribed burn. A higher funding rate is offered to promote prescribed burning by private contractors or landowners.

	Funding rate per Acre	Funding rate per acre
Burning Practice Type	**NCFS-Contracted**	**Private Contractor/Landowner**
Silvicultural	$30	$50
Hazard Reduction	$30	$50
Wildlife Habitat	$30	$50

Following program funding allocation, and before conducting the prescribed burn, participating landowners, or their agents, must ensure a burn plan is in place for the planned burn area. This burn plan must be reviewed by the N.C. Forest Service and written in a manner that will support compliance with the requirements outlined in the N.C. Prescribed Burn Act.

PROGRAM ACCOMPLISHMENTS – CALENDAR YEAR 2022

Between Jan. 26, 2022 and Aug. 30, 2022, the N.C. Prescribed Burning Cost Share Program enrolled 93 burning projects statewide with the potential to improve 5,180 woodland acres. Approximately $101,639.60 of program funds were encumbered for these projects.

During that same period, 27 of those enrolled prescribed burning projects were completed, improving 1,505 woodland acres. The program provided $25,369.80 in cost share payments to reimburse part of the landowners' implementation costs. The remaining $30,675.00 of associated costs for implement these burning practices were paid for by the woodland owners. Program accomplishments would have been higher had the program been implemented earlier in the year before the main fall/winter prescribed burning season.

Table 1: N.C. Prescribed Burning Cost Share Program Funding Totals for Calendar Year 2022

NCFS Region[1]	NCFS District	District Location	Projects Funded	Funding Allocated	Projects Completed	Payments Reimbursed
1	4	New Bern	6	$4,000.00	1	$397.50
1	7	Elizabeth City	1	$4,950.00	1	$4,300.00

1	8	Whiteville	5	$2,605.00	0	$0.00
1	13	Fairfield	1	$500.00	1	$450.00
2	3	Rockingham	21	$38,471.00	8	$10,377.10
2	5	Rocky Mount	7	$11,907.20	0	$0.00
2	6	Fayetteville	11	$11,266.00	0	$0.00
2	10	Lexington	18	$9,520.00	11	$4,485.00
2	11	Hillsborough	11	$11,338.20	4	$4,285.20
3	1	Asheville	3	$3,797.20	1	$1,075.00
3	2	Lenoir	2	$420.00	0	$0.00
3	9	Sylva	0	$0.00	0	$0.00
3	12	Mount Holly	7	$2,865.00	0	$0.00
Statewide			**93**	**$101,639.60**	**27**	**$25,369.80**

[1] *Region 1 – Coastal Plain; Region 2 – Piedmont; Region 3 – Mountains*

Of these 93 projects funded between Jan. 26, 2022 and Aug. 30, 2022, 47 were planned to be burned by the N.C. Forest Service and 46 were to be prescribe burned by other entities (ex. private contractors or landowners).

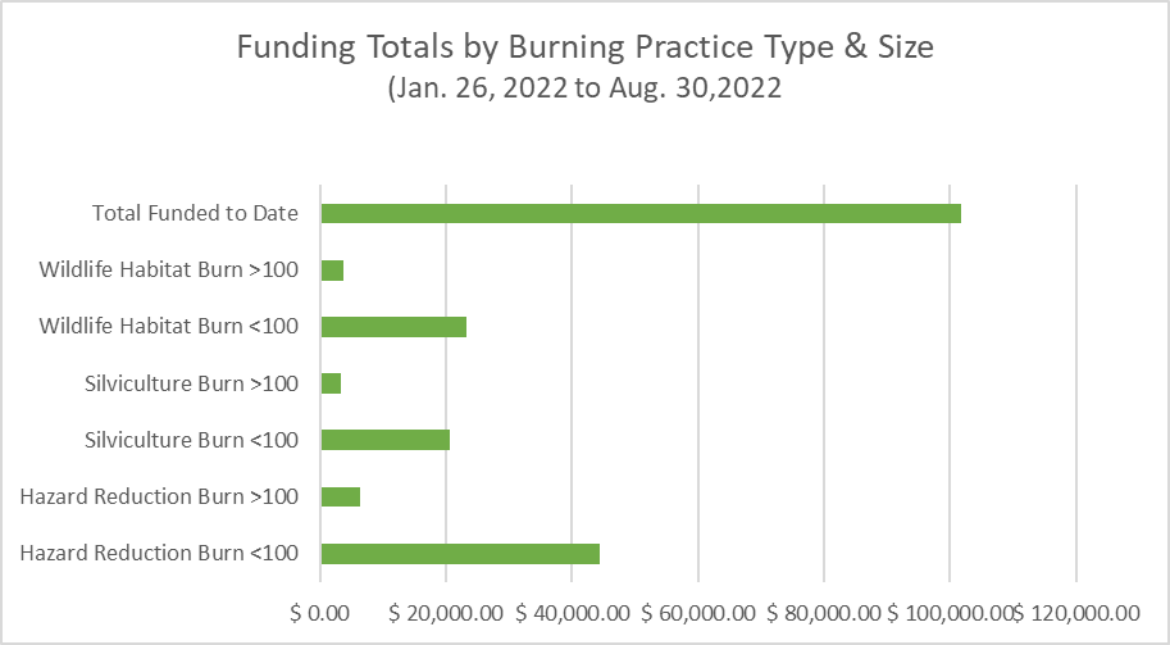
Table 2: Program Funding by Ownership Types for Calendar Year 2022

Year	Individuals	Corporations	LLC	Joint	Total
2022	50	5	23	14	92*

*Ownership types tally based on unduplicated landowners

Most prescribed burning funded projects have been smaller projects (less than 100 acres) with funding mostly going toward hazard reduction burning projects, followed by a nearly equal amount of funding for wildlife habitat and silviculture burning projects.

Figure 1: Program Funding Totals by Practice Type and Tract Size



PROGRAM ACCOMPLISHMENT – FISCAL YEAR 2021-2022

Given the program's inception date, this report's previous section attempted to provide as much information as possible and highlighted accomplishments through Aug. 30, 2022. This was meant to provide as many months as possible of activity for review.

If report reviewers wish to assess the program through the end of the 2021-2022 fiscal year, the following analysis is also being provided.

Between Jan. 26, 2022 and Aug. 30, 2022, the N.C. Prescribed Burning Cost Share Program was able to enroll 75 burning projects statewide with the potential to improve 3,948 acres of North Carolina woodlands. Approximately, $73,265.60 of program funds were encumbered for these projects.
During that same period, 19 of those prescribed burning projects were completed, improving 1,185 acres. The program provided $17,949.70 in cost share payments to reimburse part of the landowners' implementation costs. The remaining $39,555.00 of associated costs to implement these prescribed burning practices were paid for by the woodland owners. Program accomplishments would have been higher had the program been implemented earlier in the year before the main fall/winter prescribed burning season.

Table 3: N.C. Prescribed Burning Cost Share Program Funding Totals for FY 2021-2022

NCFS Region[1]	NCFS District	District Location	# Practices	Acres	Dollars Funded
1	4	New Bern	5	156	$3,600.00
1	7	Elizabeth City	1	200	$4,984.00
1	8	Whiteville	4	107	$2,105.00
1	13	Fairfield	1	20	$500.00
2	3	Rockingham	17	1,012	$22,102.00
2	5	Rocky Mount	7	670	$11,907.20
2	6	Fayetteville	6	204	$4,520.00
2	10	Lexington	15	500	$7,870.00
2	11	Hillsborough	10	757	$10,020.20
3	1	Asheville	3	198	$3,797.20
3	2	Lenoir	2	28	$420.00
3	9	Sylva	0	0	$0.00
3	12	Mount Holly	4	96	$1,440.00
Statewide			**75**	**3,948**	**$73,265.60**

[1] *Region 1 – Coastal Plain; Region 2 – Piedmont; Region 3 – Mountains*

Of these 75 projects funded between Jan. 26, 2022 and Aug. 30, 2022, 40 were planned to be burned by the N.C. Forest Service and 35 were to be burned by other entities (ex. private contractors or landowners).

Table 4: Program Funding by Ownership Types FY 2021-2022

Year	Individuals	Corporations	LLC	Joint	Total
2021-2022	40	4	16	8	68*

*Ownership types tally based on unduplicated landowners

OPPORTUNITES FOR PROGRAM IMPROVEMENT

Notable challenges with the N.C. Prescribed Burning Match Program, as well as opportunities for improvement, are listed below. These are based on the program's initial 8 months of implementation as well as the N.C. Forest Service's decades of experience administering highly successful forestry cost share programs for private woodland owners. Some of these will require changes to the program's associated legislative language and we hope these recommendations will be considered during the legislative long session in 2023.

Challenge 1 – Existing Section 10.9.(b)(2) Legislative Program Text

This language is very prescriptive and mandates the program be implemented in a manner that makes for difficult programmatic outreach, tracking and administration. Currently, cost share reimbursement rates for this program depend on a complex set of factors, including whether a landowner's prescribed burn occurred in one calendar year versus the next, and whether they burned more than 99 acres. This can become even more confusing when a program participant is signed up for multiple burn projects, sometimes in different counties. Some of these prescribed burning projects may or may not be completed due to factors outside the landowner's control such as poor weather conditions. This creates significant challenges in terms of communicating program guidelines and anticipated reimbursement rates to individuals who will be promoting the program to landowners (ex. NCFS staff, consulting foresters, extension agents) and landowners who might be considering participation.

Most prescribed burning is conducted in either the later months of the calendar year or the early months of the following calendar year, thus overlapping calendar years. We recommend this program be allowed to operate and have requirements, funding and allocation tied to the state fiscal year cycle, rather than the calendar year cycle that is referenced and mandated in Section 10.9.1.(b)(2). This would better align the "core seasons" of fall and winter when most prescribed burns are conducted with the recurring state fiscal year cycle of legislative appropriations. It would also be compatible with the way all other N.C. Forest Service forestry cost share programs are administered and simplify communicating program opportunities and components to potential woodland owner participants.

This existing prescriptive language also limits our agency's ability to offer specific types of reimbursement rates that may encourage increased program participation.

Recommended Improvement 1

Delete language in Section 10.9.(b)(2) and allow these programmatic requirements to be addressed in the program's guidance handbook and program application. An alternative could be to replace the existing language with text that allows for improved programmatic outreach, tracking and administration. Such a change would likely result in more woodland owners participating in the program and accomplish more acreage of prescribed burning.

Challenge 2 – Capacity Needed to Administer and Coordinate Program

The current text associated with legislative appropriations does not currently mention authorized use of funds for program administration and coordination. The N.C. Forest Service, which has been directed to administer and coordinate this program, does not currently receive legislative appropriations for implementing such a program.

Recommended Improvement 2

Modify the text relative to the program's associated legislative and recurring appropriations to allow for program administrative support (ex. up to 5% of program appropriations) and program coordination and outreach (ex. NCFS Prescribed Burning Coordinator, "Prescribed Burn Mentors" positions). We believe this would provide enough capacity to effectively administer and expand utilization of the overall program. This recommendation could draw from the current appropriated $1 million of recurring program funding and still allow for suitable levels of cost share funding.

CLOSING COMMENTS

New cost share assistance programs generally take several years to fully implement as program introduction, landowner awareness and programmatic modifications takes time. A sustainable source of annual programmatic funding for practices, administration support and program coordination are keys to long term success.

Forestry cost share assistance programs administered by the N.C. Forest Service have been well received by woodland owners for decades. Our agency has a long history of taking our successful cost share program delivery model, and strategically applying it to new programs to meet the needs of our woodland owners and the state. This

provides landowners with a program that is familiar to them while simultaneously stressing shared investment, field accomplishments and quality control.

We are very appreciative of the legislature's support and funding of the N.C. Prescribed Burning Cost Share Program and most agree that prescribed burning, when applied correctly, is a critical tool in the management of our forests. As the majority of our state's woodlands are owned by smaller acreage private landowners, the assistance offered through this program represents an important step in achieving more acreage burned statewide.

We view the first 8 months of this Program's implementation to be a "good start" and hope the listed recommendations for improvement are considered to set it up for long-term success.

CONTACT INFORMATION

For further information about the Prescribed Burn Matching Program, please contact:

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