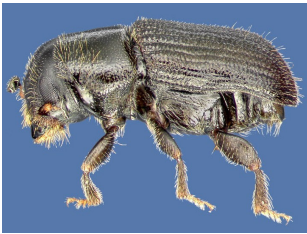


Southern Pine Beetle Prevention in Oklahoma

Application for Cost-Share Assistance



Southern Pine Beetle Prevention

Application for Cost-Share Assistance

The Oklahoma Department of Agriculture, Food & Forestry offers 50 percent cost-share funding to help eligible owners **reduce the risk of overstocked pine forests from attack by Southern Pine Beetle**. All cost-shared practices must relate directly to the improved management and health of rural forestlands in Oklahoma. Please read the following instructions thoroughly before completing the cost-share application form included in this packet.

Introduction

The Southern Pine Beetle (SPB) is a native bark beetle and major threat to the pine forests of Oklahoma and the southern United States. Unmanaged and overcrowded stands of loblolly and shortleaf pines are particularly susceptible to SPB attack. Outbreaks of this bark beetle occur periodically and can devastate large areas of forest in a short period of time. Overstocked pine stands are at risk should an infestation occur. The best way to minimize the risk of SPB infestations is through good forest management and prevention. Landowners need to recognize the factors that make their pines more susceptible to beetle infestations and take appropriate actions to maintain healthy forest conditions.

The Oklahoma Department of Agriculture, Food and Forestry-Forestry Services (OFS) is initiating a Southern Pine Beetle Prevention Project in cooperation with the U.S. Forest Service-Southern Region. The project is intended to encourage forest landowners in eastern Oklahoma to undertake recommended prevention practices. The project offers cost-share funding to eligible landowners that own pine stands at risk from SPB attack. This publication includes instructions and an application form for landowners to apply for cost-share funds to reduce the susceptibility of their forests to future SPB outbreaks.

Are Your Pine Forests At Risk?

Research shows that some pine forests are more likely to suffer from SPB infestations than others. Pine stands less than 10 years of age are seldom attacked, except during severe beetle outbreaks. Although dense, mature or overmature loblolly or shortleaf pine stands are most likely to be infested by SPB, young loblolly pine plantations (10-25 years of age) that are not thinned periodically to prevent overcrowding are also prone to attack. Pines growing on poorly drained bottomland and clay soils or on droughty soils are attacked more frequently by SPB than are similar stands located on other terrain.

Key factors for rating the susceptibility of pine stands to SPB are average height (or diameter at breast height), pine basal area per acre, and landform (ridge, side slope, or bottomland). Pine stands with basal areas exceeding 120 square feet per acre, particularly those on bottomland sites or droughty soils, are considered high hazard for SPB infestation.

How to Reduce SPB Hazard

Thinning of overly dense, slow-growing pine stands will stimulate growth and vigor in young stands and reduce the likelihood of future losses from SPB. Private landowners are

encouraged to work with an Oklahoma Forestry Services forester or consulting forester to develop a forest management plan that includes SPB hazard ratings and stand management practices, and follow up by conducting a first thinning that reduces the density of your pine stands.

Landowner and Land Eligibility

Who Can Apply? The following applicants are eligible if they own non-industrial private forestland in Oklahoma:

- Private individuals
- Groups, trusts and associations
- Federally recognized American Indian tribes or other Native American groups, provided that all tribal or group members request cost-sharing if they are on tribal or native land associations
- Corporations or other legal entities that *do not* offer publicly traded stock
- Forest landowners engaged in primary processing of raw wood products, but *only if on a part-time or intermittent basis*

What About Joint Ownerships? Where more than one person owns the land jointly, such as a group, association or corporation, the joint owners are considered as one eligible landowner. Joint ownerships are not eligible unless all owners or their duly authorized agents sign the cost-share application and agreement. Individual owners who share in a joint ownership, but also own separate property in their own name, may participate as individuals, and the joint ownership does not affect the eligibility. Applications and agreements with jointly held ownerships will include only one tax identification number and only one payment will be issued. The principal applicant is responsible for dividing the payment appropriately among the owners.

Who Cannot Apply? The following persons or entities are not eligible for funding, although individual landowners who are stockholders in the businesses listed may apply themselves:

- Federal, state or local governmental agencies or related entities
- Corporations that offer publicly traded stock
- Private entities that are principally engaged in primary processing of raw wood products or that provide public utility services of any type or any subsidiary of such entities, including but not limited to: sawmills, pulp mills, paper mills, plywood plants, oleoresin plants, power companies, railroads
- Commercial campgrounds, hunting reserves and recreation areas

Designated Counties and Funding Priorities. The project applies to eligible landowners with pine forests in eastern Oklahoma at risk from SPB attack. For purposes of this program, pine stands are defined as those in which pine species constitute over 70% of the stand's basal area.

Priority for cost shares will be given to landowners within the three counties most prone to SPB outbreaks (**LeFlore, McCurtain and Pushmataha**). Outside these counties, cost shares will be available only to landowners whose pine stands are SPB hazard rated as high or very high risk and meet the other cost-share criteria listed below.

Stocking Level. Eligible pine stands for first thinnings must be rated moderate to very high hazard. Pine stands eligible for pre-commercial thinning must be from 6 to 12 years of age and support greater than 700 stems per acre.

Ownership Size. A minimum stand size of 10 contiguous acres belonging to a single ownership is required for participation.

Eligible Practices and Cost-Share Rates

Only three SPB prevention practices are being offered. The cost-share rate is 50% except for the commercial thinning practice which is a flat rate. The actual payment is determined by applying this rate against actual costs up to the approved limits. Practices eligible for cost-share assistance for SPB prevention include first thinnings (commercial and pre-commercial) of pine stands rated as moderate to very high hazard and certain forestry consultant fees. To qualify for federal cost shares for any practice, the landowner must have a forest management plan that meets the criteria of a Forest Stewardship Plan prepared by an OFS or consulting forester for his/her property. Eligible practices are as follows:

MPL - Management Plan or Forest Stewardship Plan Development

Consulting forester fees for hazard rating of pine stands and preparing the management plan are eligible for 50% cost-sharing (not to exceed \$10/acre reimbursement). Plans must be from 25 to 1,000 acres in size. The plan must meet Forest Stewardship requirements and include prescriptions for first thinnings of stands at risk from SPB that will be treated using one or more of the thinning practices listed below. Payment for the plan will only be made after the recommended thinning practices are completed.

PCT - Pre-Commercial (and Non-Commercial) Thinning

To qualify for cost shares for pre-commercial thinning, existing pine stands must consist of loblolly or shortleaf pine, be 6 to 12 years of age and have an average of more than 700 stems per acre at the time of thinning. Thinning must reduce average stand density to less than 80 square feet of basal area per acre and 450 stems per acre.

Landowners will be reimbursed for pre-commercial thinning at 50 percent of actual cost (based on proof of your expenses) not to exceed \$60/acre of cost shares, plus up to \$10/acre for consultant fees (if any) directly related to the thinning operation. Upon completion of the pre-commercial thinning the landowner will submit original expense records for conducting the thinning plus the payment for consulting forester fees (if any).

CTH - Commercial First Thinning

To encourage first thinnings of overstocked pine stands with some commercial value, landowners may receive a payment of \$40 per acre and 50% of the costs for private consulting fees directly related to the thinning operation (up to \$10 per acre). Thinning must reduce average stand density to less than 80 square feet of basal area per acre. The cost-share payment will be provided to the landowner regardless of the profits made on the sale of timber from the thinned stand. Participating landowners must report the tons of pulpwood removed plus the paid invoice for consulting forester fees (if any) to claim reimbursement.

Other Guidelines and Restrictions

Application Policies. To apply, fill out, sign and date the Application for SPB Prevention Cost-Share Assistance (Form FRDP-1a) and the Maximum Payment Limitation form included here. Participants must agree to the stipulations contained on the form. Additional applications will not be accepted from a landowner who has already been approved for the maximum funding, even though approved practices have not been completed and payments have not been processed. The applicant must not begin any work until they receive written notification that the application has been approved and the Purchase Order issued. Approved practices must be completed within 12 months from the date of the approved Purchase Order.

An OFS Forester will review the application, visit the tract and verify stand conditions. To meet the management plan requirement, the Forester will prepare the Forest Stewardship Plan, obtain a copy of an existing plan that meets Stewardship requirements or approve development of a plan by a consulting forester as part of the application.

Payment for Completed Work. Once the practices are completed, the landowner signs the "Landowner Request for Payment" section of the Performance Report and Certification Form (FRDP Form-1b) and sends it to the OFS Forester to claim reimbursement. Attach to this form proof of all expenses. The OFS Forester will revisit the tract and verify that the treatments were completed as prescribed in the plan. If successfully completed, the OFS Forester will sign and date the Form FRDP-1b and forward it to the Program Coordinator with expense records as proof that the treatments have been carried out. For pre-commercial thinning operations, expense records are original paid receipts for all costs related to the thinning. Documentation for commercial thinning operations consist of a record of tons of pulpwood removed and a paid receipt or cancelled check for consultant fees (if any).

Maximum Payment. Landowners may receive no more than \$10,000 in cost shares per state fiscal year (July 1 – June 30), whether acting individually or as part of a partnership or trust, for all cost-share treatments combined. For the purposes of the payment limitation, joint owners are considered as one eligible landowner. A cost-share payment will be divided between all joint owners equally unless recorded otherwise on the Maximum Payment Limitation form filed with the application.

Partial Payments. Separate payments for each practice will not be made. Cost-share payments will be made only after satisfactory completion of all prescribed practices.

Harvest Limitations and Maintenance. Participating owners agree to withhold final harvest of stands thinned under the SPB Prevention Project for a minimum of five (5) years following the completion date and maintain treated stands in forestry use for a minimum of 10 years.

Refund of Cost-Share Payments. A participant who intentionally destroys a forest stand thinned with SPB Prevention funds within five (5) years following the project completion date must refund cost shares to the State. Landowners will **not** be required to refund payments for practices that were successfully completed and later failed as a result of floods, drought, wildfire or other natural disaster, through no fault or negligence of the landowner.

For More Information

Your best source of additional information about trees and forests in Oklahoma can be found on the OFS website at www.forestry.ok.gov. For general information on SPB prevention or the cost-share program, contact the Forestry Services State Office at the Oklahoma Department of Agriculture, Food and Forestry, 2800 North Lincoln Boulevard, Oklahoma City, OK 73105, 405-522-6158.

For technical assistance with your forestland, for help with the cost-share application process, or to obtain a list of private forestry consultants, contact your local Forestry Services office in eastern Oklahoma listed below.

| County | Office Location | Mailing Address | Zip Code | Telephone |
|-----------------------------|-----------------|--|----------|----------------|
| Atoka, Choctaw, Pushmataha | Antlers | P. O. Box 339 | 74523 | (580) 298-5122 |
| McCurtain (northern half) | Battiest | HC 72, Box 515 Battiest Rt.-Broken Bow | 74728 | (580) 241-5375 |
| McCurtain (southern half) | Broken Bow | P. O. Box 40 | 74728 | (580) 584-3351 |
| Delaware | Jay | HCR-63 Box 1470 | 74346 | (918) 253-4268 |
| Sequoyah | Sallisaw | 629 Harriet | 74955 | (918) 775-2587 |
| Adair, Cherokee | Tahlequah | 22082 South J.F. Davis Lane | 74464 | (918) 456-6139 |
| LeFlore | Talihina | P. O. Box 368 | 74571 | (918) 567-2021 |
| Haskell, Latimer, Pittsburg | Wilburton | P. O. Box 297 | 74578 | (918) 465-2082 |

Where to Send Cost-Share Applications

Send the completed Application for SPB Prevention Cost-Share Assistance (**front and back**) to the OFS office that serves the county where your land is located, as indicated in the table above.

Appeals. Landowners who disagree with a technical determination, or who believe their treatment under the program has been unfair, may file a written appeal to the cost-share Program Coordinator.

Vendor Services

It is OFS policy to encourage the use of private vendors for the installation of forestry practices. In some instances, however, vendors may be unavailable or unwilling to perform the work due its small size or isolated location. When participants themselves choose to perform stand treatments instead of contracting with a private vendor, costs will be valued at the prevailing local rate for the performance of similar work, but not to exceed \$10 per hour. In order to document applicable costs associated with this work, landowners must keep records and proof of their expenses, including their own labor costs, and submit the statement with other original receipts when requesting cost-share reimbursement.

Tax Consequences

The IRS has not ruled that SPB cost-share payments are excludable from gross income as a conservation program payment. The State will issue participating landowners a 1099 form and the payment must be included in gross income for federal income tax purposes. Landowners are urged to consult a competent tax adviser familiar with forestry tax issues on how to handle cost-share program payments. Additional guidance is available on the National Timber Tax website at www.timbertax.org.

OKLAHOMA FOREST RESOURCE DEVELOPMENT PROGRAM APPLICATION FOR SPB PREVENTION COST-SHARE ASSISTANCE

Use this form to apply to the Oklahoma Department of Agriculture, Food and Forestry for cost-share funding of SPB prevention practices in Oklahoma. Fill in the top half of the form and the Maximum Payment Limitation Review form on the back, read the certifications, sign and send the completed application to the Department's Forester who serves the county where your property is located.

Applicant Information (Please print or type)

Name (First, Middle Initial, Last) _____
 Mailing Address _____
 City, State, Zip+4 _____
 Daytime Phone _____ Other Phone _____ Total Acres Owned _____
 Type of Applicant (check only one): Individual Association Corporate
 Joint (all owners or a designated representative must sign)
 Other (describe) _____

Property Information (Where practices will be installed)

County _____ Legal Description _____ Sec ____ T ____ R ____

Practices Requested (Shaded boxes for Forester's use only)

| Practices & Components Requested | Acres Requested | Code | Extent Needed | @ Maximum 50% Cost-Share Rate Per Acre | = Cost-Shares Requested |
|----------------------------------|-----------------|------|---------------|--|-------------------------|
| | | | | | \$ |
| | | | | | |
| | | | | | |
| | | | | Total | \$ |

Certifications/Agreement. In making this application, I (we) hereby certify that:

- (a) I am an eligible landowner and understand this to mean a private individual, or member of a group, association or corporation owning land suitable for forestry purposes, and, where the land is owned jointly, the joint owners shall be considered as one eligible landowner;
- (b) I am the legal owner of the property on which the services are requested;
- (c) I am not receiving cost-share funding from any other federal, state or private program for the same or similar forestry practices on this tract;
- (d) I, if an owner in joint tenancy or tenancy in common or if a member of a group or association owning the lands, have no knowledge of any application which has been filed for cost-share assistance to be used on lands described in this application;
- (e) I will maintain the land subject to this agreement in forestry usage as outlined in the Forest Management Plan for a minimum of ten (10) years from the date of Performance Certification, and authorize Forestry Services to access the property during this period to inspect cost-shared practices as needed;
- (f) I agree that I will bear all costs of the practices prior to reimbursement;
- (g) I will comply with Program provisions, applicable Department regulations and the terms of this agreement and the Forest Management Plan, and, if I fail to do so, the Department shall have the right to recover the State's cost in the agreement plus court costs and reasonable attorney fees, if needed; and
- (h) I agree to refund all or part of the cost-share assistance paid to me as determined by the State Forester if, before the expiration of the required practice maintenance period, I destroy the practice, voluntarily relinquish control or title to the land on which the approved practice has been established and the new owner or operator of the land does not agree in writing to properly maintain the practice for the remainder of the period.

Landowner(s) or Authorized Agent's Signature(s) _____ Date _____

Complete Maximum Payment Limitation Review form on the back, and attach proof of ownership (FSA farm number or tax receipt) and Power of Attorney or Power of Estates if acting as owner's legal representative.

Forester Action: The practices and acres shown above are needed and practical as outlined in the Forest Management Plan.
 The practices and acres shown above are not needed or practical.
 Signature _____ Date _____ Telephone _____
 Remarks: _____

Date received by Area Forester: _____ **Final action by Area Forester:**
 Approved/forwarded to State Office on _____
 Cancelled/Denied (state reason) _____

Date received by State Office _____ Approved for funding by State Office on _____
 Approval No. (FY - #) _____ - _____ Agreement/practice approval expires on _____

FOREST RESOURCE DEVELOPMENT PROGRAM MAXIMUM PAYMENT LIMITATION REVIEW

This form will help the Forester assisting applicants to determine how cost-share payments will be distributed among the owners of the property, to avoid exceeding the \$10,000 maximum payment limitation.

Program Year

| | |
|--------------------------------------|----------------------------|
| Primary Applicant's Name and Address | Soc. Sec. or Tax ID Number |
| | |

| | | | | |
|--|--|--|--------------------------------------|--|
| Type of Applicant (Check One Only) | | | | |
| <input type="checkbox"/> Individual | <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> Revocable Trust | <input type="checkbox"/> Corporation | <input type="checkbox"/> Other (Specify) |
| <input type="checkbox"/> Joint Venture | <input type="checkbox"/> General Partnership | <input type="checkbox"/> Irrevocable Trust | <input type="checkbox"/> Estate | _____ |

List all individuals having an interest in the property who will participate in the cost of the practices and who will receive a portion of the cost-share payment made under the SPB program.

| Name | Soc. Sec. or Tax ID Number | % Share |
|------|----------------------------|---------|
| | | |
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| | | |

I certify that all information provided on this form is true and correct to the best of my knowledge and belief.

Applicant's Signature and Date

Acknowledgements

Oklahoma Forestry Services is especially grateful to the Texas Forest Service for providing its SPB prevention program guidelines and procedures that served as the model for Oklahoma's program.

Cover photos: Adult southern pine beetles (photos by John Foltz, University of Florida) and expanding SPB infestation on Indian Mounds Wilderness, Sabine County, Texas, 1993 (photo by Ron Billings, Texas Forest Service).

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