

BY Russell Shay and Sean Robertson

The Future Is **NOW**

Congress keeps putting off dealing with the nation's fiscal problems. Starting this December, however, that's changing. Deadlines are converging. The future is now. The budget sequester (across-the-board cuts) Congress agreed to two years ago goes into effect January 1. Also on January 1, the current income and estate tax rates expire, defaulting back to much higher rates for every taxpayer in 2013. By the end of January, Congress must raise the nation's debt limit or face default on the debt. On March 31, expiration of the latest stop-gap spending bill threatens a government shutdown.

These deadlines will force key decisions on tax incentives and spending for conservation in the next six months in a very negative fiscal environment. That has led some people to despair. But land trusts should take heart: we have actually done an excellent job of influencing these decisions so far.

Renewing the enhanced easement incentive this December is an important milestone for surviving the major reform of the tax code that leaders of both parties

want to pursue. The incentive expired on January 1, 2012. Congress is likely to put major tax reform off until 2013—but if our enhanced incentive is not back on the books when they start, we will have lost an important leg up.

And we're not just worried about the enhanced incentive—**all charitable deductions are at risk in tax reform**. President Obama has repeatedly proposed reducing the tax benefits of charitable deductions and Mitt Romney proposed limiting everyone's total deductions to \$17,000 a year—taking away most of the incentive for large gifts such as land or easements.

Federal deficits are so large that no deduction and no category of federal spending is off limits for elimination or major reductions. The theory of tax reform calls for cutting tax breaks for the few to pay for lower tax rates for the many. **We are the few**. Fewer than 7,000 of the 140 million tax returns filed each year (0.005%) include a donation of land or a conservation easement.

How can we survive this? The answer is simple: by being engaged, and not letting decision-makers forget that these donations by a few benefit **many** in our communities.

Two years ago, the largest class of House freshmen in recent memory proposed radical cuts to conservation—eliminating the North American Wetlands Conservation Act and most of the Land and Water Conservation Fund. But a broad coalition, including the Alliance, succeeded in getting much of that funding restored.

This year's Farm Bill proposals cut between \$23 and \$35 billion overall, but thanks to the coordinated efforts of the land trust community, the Senate and House Agriculture Committees both proposed increased funding for land trusts to buy easements—as much as \$1.58 billion over the next decade.

Make no mistake, **these are major success stories**, caused by all of us educating and influencing legislators about the critical importance of land trust work to their communities, district by district and state by state.

Now you can be an important part of the next success story. It took a year, but together we've recruited majorities of both parties in the House as co-sponsors for our tax incentive legislation (including 47 of the new representatives). There are now 310 representatives and 25 senators pushing to make the easement incentive permanent and the Senate Finance Committee recently took the important first step of



Grand Traverse Regional Land Conservancy and Leelanau Conservancy received the Land Trust Excellence Award for their work with the Michigan delegation. At the Land Trust Lobby Day, staff and board members of Leelanau, GTRLC and Little Forks Conservancy presented an award to Rep. John Dingell (D-MI), whose bill created the easement deduction in 1980.

GTRLC

passing a slimmed down “tax extenders” bill that eliminates numerous tax incentives but extends ours.

Co-sponsors provide momentum, but we’re running out of time. **Your phone calls to your senators and rep can make all the difference in renewing the incentive before the end of the year.** Visit www.lta.org/easementincentive for the latest action steps. —RUSSELL SHAY

A Farm Bill Worth Passing

The 2012 Farm Bill has been negotiated in a climate of unprecedented fiscal constraints with extraordinary pressure to reduce funding and eliminate programs. Despite overall cuts ranging from \$23-\$35 billion, **we’ve been remarkably successful in securing funding for the Agricultural Land Easements (ALE) program.**

This bill isn’t yet a done deal, but here’s a look at the common elements now approved by the full Senate and the House Agriculture Committee:

- **Strong funding** – Between **\$1.38 and \$1.58 billion** over the next decade. Amid widespread cuts, perpetual easements get **more** funding over the next five years than the last.
- **A merger that embraces land trust partnerships** – The new ALE program merges the Farm and Ranch Lands Protection Program (FRPP) and Grassland Reserve Program (GRP), using the successful model of providing grants for land trusts to buy perpetual easements.
- **Successful amendments define the federal role** – The Senate and House adopted an amendment to clearly limit the federal role in the acquisition and stewardship of ALE easements.
- **Waiver for grasslands maintained** – Both bills allow USDA to pay up to 75% of appraised value for easements on grasslands of special significance.
- **Harmful amendments averted** – The Senate resoundingly defeated an amendment to eliminate the Forest Legacy Program.

We didn’t get everything we wanted—the ALE program will still require a cash match—but overall we’re eager to pass this bill.

Unfortunately, celebration has turned to frustration as House leaders have refused to bring the Farm Bill to the floor for a vote. Some programs, including the Grassland Reserve Program, expired with



Rep. Rush Holt (D-NJ) won’t soon forget D&R Greenway Land Trust’s invitation to bring his chainsaw and be “just another member of the crew.” Volunteer intern Jason Warrington was thrilled to clear invasive species with the Congressman.

the old Farm Bill on September 30, and a delay into 2013 could trigger \$500 million in additional cuts.

Please urge your representative to support the Farm Bill by signing the Braley-Berg “discharge petition”—218 signatures would force an immediate vote! You can also help at www.farmbillnow.com.

For the latest updates and a copy of our new economic benefits study, visit www.lta.org/farmbill.

Meet Your New Senators and Rep

Even as the lame duck Congress wraps up its work, dozens of newly elected legislators are getting their bearings in Washington, D.C. In order for them to be successful advocates for your land conservation work, it’s essential to start building relationships right now—before you need their help at the 11th hour.

You have a compelling story to tell:

- Your work directly benefits your community.
- Your passionate members and the landowners you work with are their constituents.

Ballot Results

Voters approve \$767 million for conservation!

On election day, voters passed 81% of conservation ballot measures! Learn more at www.lta.org/ballot2012.

Figures from The Trust for Public Land

- Your board members may be among their campaign contributors.
- The beautiful places you seek to protect can be part of their legacy.
- You’re in a position to get them great press coverage.

There’s no better time than the present to (re)introduce yourself to your congressional delegation and their staff members working on tax and conservation issues. Our revamped Advocacy Tips page (www.lta.org/advocacytips) includes a sample letter of introduction and tips for hosting site visits—one of the best ways to build a strong relationship. 🍀