

STEWARDSHIP AUTHORITY AND GOOD NEIGHBOR AUTHORITY

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In 2014, the US Forest Service (USFS) was granted permanent Stewardship Authority. In the same year, all 50 states and Puerto Rico were granted the Good Neighbor Authority. These collaborative authorities have the potential to increase the pace and scale of restoration work carried out on National Forest System (NFS) lands, and to provide local economic benefits. Though agencies, collaborative groups, and local economies all stand to benefit from their use, these tools are relatively novel and many questions regarding their application remain. This fact sheet serves as a primer in the use of these authorities and aims to clarify initial questions. Additional overview information for each authority can be found on the [Sierra to California All-Lands Enhancement website](#).

STEWARDSHIP AUTHORITY

Stewardship authority was permanently granted to the USFS in 2014, following 15 years of pilot and temporary authority. The emphasis of this authority is the “end result” of activities which achieve key land management goals and meet local community needs. Appropriate uses include:

- Road and trail maintenance for improved water quality
- Improvement of soil health, habitat, and resource values
- Use of prescribed fire to improve stand health and habitat
- Vegetation removal to improve stand health and land management objectives
- Watershed restoration and maintenance
- Wildlife/fish habitat restoration and maintenance
- Noxious and exotic weed control

Stewardship authority may *not* be used for the following purposes, among others:

- Research trials
- Land acquisition or survey

Permitted objectives can be achieved either through the use of a stewardship contract or a stewardship agreement. Parties may also enter into long-term (up to ten-year) contracts or agreements with the USFS.

STEWARDSHIP CONTRACTS VS AGREEMENTS

Unless otherwise stated in [Chapter 60 of FSH 2409.19](#) (Renewable Resources Handbook, Stewardship Contracting), all requirements for stewardship contracts apply to agreements. However, entities may wish to pursue one or the other based on the nature of their organization, their qualifications, and their goals.

Agreements

- Agreements are well suited to projects carrying out a public purpose; combining the resources of multiple partners with a mutual interest and benefit; or those making use of volunteers.
- Agreements can be advantageous because agencies often find them less complex; agreements are generally shorter in length and more easily changed; matching funds may yield a greater impact.
- Disadvantages of agreements include a greater need for agency oversight, especially with an inexperienced partner; the agency has little clarity or means of recourse if a partner does not comply with provisions.

STEWARDSHIP AUTHORITY AND GOOD NEIGHBOR AUTHORITY

- Agreements require matching contributions from partners. Contributions may be financial or in-kind, e.g. volunteer labor, equipment, or supplies. A 20 percent match is generally required, and the contribution should be commensurate with the benefit derived by the partner. However, the Regional Forester has the authority to reduce or waive this partner match requirement.

Contracts

- Contracts are well suited to projects involving the purchase of goods and services or the sale of government property (e.g. timber). Contracts are also preferred when a more significant level of expertise is required, and where financial or physical risks are relatively high.
- Contracts can be advantageous because they result in mutually binding legal relationships. In addition, small businesses can receive preference in contract awards.
- Disadvantages of contracts include potentially low performance bonds - also called cancellation ceilings - providing little financial security to contractors, although even a low cancellation ceiling may provide greater assurance than an agreement.
- Contracts require a performance bond for product removal. The value of the bond is set at the discretion of the contracting officer and may be especially important in the case of small contractors with limited capital.

Both contracts and agreements utilize Best-Value Determinations, though relevant factors differ between the vehicles. In the case of contracts, determinations typically include the contractor's past performance and work quality; and the value of both the product and the service work provided. In the case of agreements, determinations

typically include the extent of mutual interest; mixed ownership; joint expertise; and cost factors (e.g. donations and cost sharing). Both may consider benefits to the local community as part of the evaluation process. Collaborative members may serve on a technical evaluation team, developing and using criteria to assess contractor proposals. However, final decision authority rests with the USFS contracting officer. The contracting officer may exercise some discretion in defining and weighing factors.

Both contracts and agreements may be up to ten years in length. Several contracts can be bundled into a ten-year stewardship contract to treat large landscapes. General terms may be established under the ten-year contract, with individual work orders issued against that contract.

Master Stewardship Agreements (MSA) function similarly, establishing a landscape (region, district, or NF) and general provisions of the partnership. Supplemental Project Agreements (SPA) are then tiered to this MSA. SPAs contain stipulations for a specific project, but may not act as stand-alone agreements, as additional terms will be enumerated only in the MSA.

GOOD NEIGHBOR AUTHORITY

The Good Neighbor Authority (GNA) was granted in 2014 by Congress to the USFS for use in all 50 States and Puerto Rico, and essentially authorizes a State to act as an agent of the Federal government on Federal lands. GNA does not require a mutual interest or benefit between parties. Matching is also not required, though it is encouraged. Appropriate uses of the GNA include:

- Forest restoration
- Hazardous fuels reduction
- Fish and wildlife habitat improvement
- Watershed restoration

SUCCESSFUL GNA APPLICATION IN IDAHO

Idaho Department of Lands (IDL) and the USFS Regions 1 and 4 are demonstrating the potential for GNA Master Agreements. Four GNSPAs have been signed and many of the covered projects are NEPA ready. The success of these efforts is attributable in part to collaborative planning. Since 2014, a working group representing a variety of stakeholders has been examining GNA options on NFS lands. IDL later hired a contractor to explore the possibility of a GNA Master Agreement with the USFS. This contractor was also responsible for analyzing the feasibility of GNA projects from an economic, operational, and biological standpoint.

Planned and ongoing projects include fuels reduction, commercial and pre-commercial thinning, salvage sales, and prescribed burning. IDL fulfills multiple roles: sale layout, auction, administration, and implementation; and assisting with or contracting NEPA. IDL has hired multiple positions dedicated to projects executed under the authority. Revenues generated by the program will fund ongoing personnel development in the IDL, which plans to create a new GNA bureau housed within the Forestry and Fire Division.

Unique to IDL's approach is the inclusion of timber sales in GNA activities, where other states have often restricted themselves to restoration work. An impacts assessment performed by the University of Idaho estimates that the additional board footage produced under the GNA agreements could result in an additional 1,300 forest industry jobs and \$68.5 million in wages for the state.

STEWARDSHIP AUTHORITY AND GOOD NEIGHBOR AUTHORITY

Landscape-scale use of GNA

Multiple states, including California, have established ten-year GNA Master Agreements. In 2016, the California Natural Resources Agency entered into a Master Agreement with the USFS. As with Stewardship Authority, individual Supplemental Project Agreements (SPAs) can be tiered to this Master Agreement.

The GNA in California

California's Master Agreement does not obligate either party to offer or accept any project proposals under the agreement; these must be made by mutual consent under a SPA. Supplemental project agreements should be kept as simple as practicable. While it is possible to address multiple forest treatments on multiple sites and even on multiple National Forests under the scope of one GNSPA, the USFS does not recommend such an approach.

Subcontracting and GNA

Though the USFS must partner directly with a state's natural resources agency, the state may sub-contract as per their established contracting procedures. The relationship of the third party is then to the state, and not the USFS.

Who retains receipts using GNA?

At no point does the state purchase timber or other products from the USFS. If the agreement entails restoration work, including the removal of timber or non-timber forest products, the state – or their subcontractor – disburses the resulting receipts to the USFS. In the event that revenue exceeds the appraised value of the timber sale, income may be applied to restoration work approved under the relevant agreement (i.e. same project area as authorized by USFS).

How does NEPA operate under a GNA agreement?

The state may not transfer funds to the USFS to pay for NEPA work, but may contribute the completion of NEPA as a non-cash contribution under a GNA agreement. However, the USFS recommends that NEPA be carried out under a stand-alone agreement and fully completed before entering into an agreement to carry out service work. The USFS retains final decision-making power for NEPA and any authorized restoration services detailed therein.

For answers to additional questions regarding the GNA, please visit this [USFS webpage](#).

References

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