

**6. Recommend updates to the Open Space Current Use Taxation program including in a manner that incentivizes climate-friendly land management practices.**

Note: Outreach is underway to Maine Municipal Association members and municipal assessors to solicit feedback on this set of recommended changes to the Open Space Current Use Program before formal inclusion in the final report. At this time, these recommendations are aspirational and will require further dialogue with affected entities.

One charge for the Maine Forest Carbon Program Task Force is to “Recommend updates to the Open Space Current Use Taxation program including in a manner that incentivizes climate-friendly land management practices.” The Task Force has been meeting since early 2021 and is charged with delivering recommendations to the Governor by November 1, 2021.

Task Force members have prepared initial concepts for revision of the Open Space Current Use Tax program, and in late June, met with representatives of Maine Revenue Services and the Maine Municipal Association to gather feedback. The summary below is not an attempt to provide complete language for update and revision of the program, but instead focuses on key program elements.

We are now seeking additional feedback from the Maine Municipal Association and municipal assessors, who we hope will consider and respond to the following questions:

- Do you have any concerns with the Open Space program as it exists today?
- Are there concepts or potential program revisions presented here that you support or you think would be beneficial? Which components seem most important or most helpful?
- Are there concepts or potential program revisions presented here that concern you? Please explain your concerns.
- Are there ideas for streamlining and improving the Open Space program to make it more attractive to landowners that you would suggest we consider, but which are not presented below?

Priority Concepts:

- **Update the Open Space program, streamlining it and adding an emphasis on climate benefit.**
- The Open Space program should **contribute to maintaining forest land and reducing forestland loss** in the state.
- We seek a **more efficient program** that will be of value to the public, attract more landowner participation, and be simple to administer by municipalities, with reduced financial burden.
- The Open Space program should **accommodate a wide range of potential land management practices**, from intensive silviculture and production of forest products to development of old forest and maximizing carbon storage.
- The Open Space program **should not create a fiscal burden for municipal budgets** and may require state reimbursement (noting complexity in this determination and that municipalities may

benefit from reduced costs of providing services when lands remain undeveloped and from increased revenue sharing as a result of reduced valuation).

**Potential Program Revisions:**

**A. Provide state reimbursement to municipalities**, following the same formula used for state reimbursement under the Tree Growth Current Use Tax program. [This change is intended to reduce the burden on municipalities.]

**B. Revise Open Space Program valuation reductions to:**

- **Open Space (no development): 50%** [Currently 30%. This increase is intended to encourage greater participation in the OS program and emphasize its core value of helping to keep land undeveloped. The increase (plus new options below) also offsets elimination of separate discount options for permanent protection (30%), forever wild (20%), and managed forest (10%).]

- **Public Access: 25%** [No change from current program.]

- **Wildlife Habitat Management: 15%** [New option not in existing program.]  
Implementation of a wildlife enhancement practice approved by the Maine Department of Inland Fisheries and Wildlife in alignment with State Wildlife Action Plan or of mapped Beginning with Habitat features, with landowner attestation of practice implementation.

Or

- **Carbon Management: 15%** [New option not in existing program. This could serve as a replacement for the existing elements of permanent protection (30%), forever wild (20%), and/or managed forest (10%).]

Forested land (properties with 10 or more forested acres and greater than 70% forested) may qualify with any of the following options, and any qualifying property shall automatically be considered to provide a public benefit and be eligible for enrollment in the Open Space program:

Adoption of a 10-year forest management plan signed by a licensed forester that includes strategies to increase forest carbon and considers carbon stored in forest products; or [This is essentially the same requirement for Tree Growth eligibility, but the plan here can prioritize forest carbon.]

Implementation of a forest carbon practice approved by the Maine Forest Service, qualifying for this Forest Carbon Management reduction for 10 years, with landowner attestation of practice implementation; or [This option for practice implementation and landowner attestation without a full forest management plan may appeal to owners of smaller properties.]

Permanent ecological reserve restrictions shall qualify for forested reserves. [Forest carbon benefits of ecological reserves are clear; eligibility for this carbon management category is a reduced discount from the permanent protection and ecological reserve discounts in the current program.]

Non-forested land (properties not qualifying as Forested Land above) may qualify for 10 years based on implementation of carbon management practices approved by the Maine Department of Agriculture, Conservation & Forestry, with landowner attestation of practice implementation. [Non-forested land would also have the option to either: 1) choose the wildlife habitat management option, or 2) be eligible for the Farmland current use program.]

- **Maximum discount of 90%** (*current program maximum is 95%*), **reduction no greater than available through Tree Growth** (*no change from existing program*)  
[Maximum discount could be achieved with OS + Public Access + Forest Carbon, OR with OS + Public Access + Wildlife Habitat.]

**C. Streamline program to rely on % reductions and eliminate the alternative approach of individual discretionary assessment based on assumed impacts of enrollment on valuation.**  
[This is intended to provide greater clarity and certainty for landowners interested in enrolling and to reduce complexity for assessors and municipalities.]

**D. Allow any landowner to transfer their property from Tree Growth to Open Space without penalty,** for properties in Tree Growth prior to 2021.