October 2, 2014

Honorable Ron Wyden  
Chairman  
Senate Committee on Finance  
219 Dirksen Senate Office Building  
Washington, D.C.  20510

Honorable Orrin Hatch  
Ranking Member  
Senate Committee on Finance  
219 Dirksen Senate Office Building  
Washington, D.C.  20510

Dear Chairman Wyden and Ranking Member Hatch:

Western Governors believe strongly in providing incentives that encourage private landowners to engage in conservation activities. An important tax incentive for conservation easement donations expired at the end of 2013. We urge you to support making the tax incentive permanent along the lines proposed in the bipartisan “Rural Heritage Conservation Extension Act of 2013” (S. 526). The House version of this bill garnered 221 bipartisan cosponsors and passed the House as part of the “America Gives More Act” (H.R. 4719). The Senate bill now has 25 cosponsors.

As noted in Western Governors’ Association’s Policy Resolution 13-08 Endangered Species Act, Western Governors believe that providing economic incentives for landowners to voluntarily participate in conservation efforts is likely to achieve more efficient and cost-effective results. Over the past decade, conservation easements have facilitated protection for millions of acres of land across the country because they are important historically, recreationally and environmentally. When farmers, ranchers and forest owners donate voluntary conservation easements, they protect land from development by giving up future development rights and a great deal of future value, while retaining ownership and management of the land they have so carefully stewarded for generations.

Conservation easements provide vital wildlife habitat, recreational opportunities and scenic values that attract millions of tourists, sportsmen and outdoor enthusiasts to the West each year. Using easements to protect land accomplishes conservation at a fraction of the price of purchasing land with public funds. Land protected by easements remains in private hands, and thus on county tax rolls, and does not require public funds for maintenance or ownership liability.

Development rights sometimes comprise a farm or ranch family’s single largest asset and previous law prevented modest-income landowners from deducting more than a small portion of their generous donation. Enacted in 2006, a new
incentive allowed agricultural landowners to deduct up to 100 percent of their income and carry forward the remaining value of their donation for up to 15 years. Rangeland trusts report that this incentive has been particularly powerful for Western ranching families, increasing the viability of inter-generational transfers. This voluntary incentive-based method for protecting important lands should not have been allowed to expire and should be made permanent.

We ask that you support continuation of this conservation easement tool to help safeguard the rural economies and wild places that make the West among the best places in the country to live and work.

Sincerely,

Brian Sandoval
Governor, State of Nevada
Chairman, WGA

John Kitzhaber, M.D.
Governor, State of Oregon
Vice Chairman, WGA

cc: Honorable Harry Reid, Majority Leader, U.S. Senate
Honorable Mitch McConnell, Minority Leader, U.S. Senate
Honorable John Boehner, Speaker, U.S. House of Representatives
Honorable Nancy Pelosi, Minority Leader, U.S. House of Representatives