

Wisconsin  
Council on Forestry  
Biennial Report

September 2003 – December 2004

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**This biennial report is required by state statute 26.02(2). The purpose is for the Council on Forestry to report on the status of the state's forest resources and forestry industry as detailed in § 26.02(2) (a) 1-10. Additionally, the Council chose to report on its accomplishments during the time period covered by this report.**

**Since the Council is staffed by the Division of Forestry, the report was primarily written by staff contained within the Division.**

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## EXECUTIVE SUMMARY

### Accomplishments

In July 2003 Governor Doyle announced his appointments to the Wisconsin Council on Forestry and the Council held its first meeting on September 26, 2003. The Council quickly set to work determining its priority issues which include: Certification, Use of Woody Biomass, Fragmentation and Parcelization, Private Forestry Assistance and Invasive and Exotic Species. A task group consisting of council members and a Division of Forestry Liaison were formed for each priority.

With the Council on Forestry's support, the Division of Forestry quickly pursued evaluating the feasibility of and then obtaining third-party certification for its three major land management programs. With recommendation from the Council, the Natural Resources Board accepted dual certification from Forest Stewardship Council (FSC) and Sustainable Forest Initiative (SFI) for Wisconsin State Forests in May 2004. Soon thereafter, 27 of the 29 County Forests accepted a combination of FSC and SFI certificates. Lastly, after a highly favorable American Tree Farm System audit, MFL will be officially certified by June 2005. Accomplishing certification of 5 million acres of DNR administered land in less than two years is a remarkable achievement establishing Wisconsin as the leader in Lakes States sustainable forestry.

In November 2004 the Council on Forestry sponsored the Governor's Conference on Forestry which brought together a diverse group of partners to begin developing action plans for the issues identified in the 2004 Wisconsin Statewide Forest Plan. The conference focused on seven themes identified in the plan. Each theme had a Champion and a Leadership team whose members represented diverse forests interests and are the core of partners around the state. In December 2004 the theme Champions reported the key outcomes of the conference to the Council of Forestry. The Council recognized the importance of their work aligning with the issues outlined in the Statewide Forest Plan and adopted the Leadership Teams from the conference as sub-committees of the Council. Three of the original Council priorities (Fragmentation and Parcelization, Private Forestry Assistance, and Invasive and Exotic Species) are now contained in one of the seven Leadership Teams. The Woody Biomass Task Group will continue independent of the Leadership Teams. A Steering Team was then appointed by the Council to guide the implementation process of the Statewide Forest Plan.

### State Forest Resources and Industry

Most of the major trends in Wisconsin Forests have remained relatively constant since periodic inventories by the Forest Service began in 1936. Although the forests trends have remained relatively constant, the forest itself has not. Areas and relative proportion of various forest types have changed significantly over the last 70 years. Hardwood succession is very apparent. The conifer forest area has remained roughly constant over the past 70 years. Overall growing stock volume on Wisconsin timberland has increased steadily since the first inventory. Growing stock average net annual growth exceeded average annual removals between 1968 and 1983 for virtually all major species groups including, oak species, aspen, paper birch and jack pine. However, between 1983 and 1996 removals exceeded growth for each of these specific species groups, which was a reversal of the previous inventory trend.

Average to above average precipitation brought both hardwood and coniferous forest back to a healthier state. Oak mortality that had been occurring over the past two years in northwest Wisconsin stabilized. Populations of Gypsy Moth took a dramatic downturn; only 20 acres of defoliation were observed in 2004, compared to 65,000 acres observed in 2003. Populations of the Jack Pine Budworm increased in west central and northwestern Wisconsin. Populations of this insect are expected to peak in 2005 particularly in northwestern Wisconsin.

The majority of wood products produced by Wisconsin's forests are going to Wisconsin businesses. This steady flow of products enables the state to sustainably manage its forests as well as provide a strong economy through the 109,000 high paying jobs that exist in the forest product industry. It can be reasonably expected that the demand for paper will grow in the world, but where the supply will come from is a greater question. If the domestic suppliers can stay competitive in the global market place they should survive. There are concerns that the paper industry in Wisconsin has not been investing enough capital to keep their plants efficient and competitive in the global markets. If this trend does not change the long term future for the industry could be questionable. However, recently some companies have begun to invest in their plants. It will also take an active role by the government to make sure that the long term direction of the paper industry is growth and not decline. Sawmills and veneer plants have recently experienced some of the best markets in sometime. The flooring and kitchen cabinet markets are also projected to grow.

According to the 1997 Forestry Inventory Analysis, more than 262,000 private forest landowners hold an estimated 10.8 million acres of forested land. If preliminary data from 2003 holds true, the number of landowners is likely to be about 21% higher, a similar increase as compared to the previous ten-year period. Over the last 5 years, nearly 95% of Wisconsin's forest industry owned woodlands were transferred as corporations realigned or divested their land holdings. If three Forest Legacy proposals for ongoing conservations easements are successful, the acres of industrial forest lands protected from development will nearly double.

The most distinguishing factor about individual owners is that over one-fourth of them are retired. Collectively, retired owners hold nearly one-fourth of all private forested land in Wisconsin. Retired owners have taken the place of farmers as the predominant forestland holders. Almost one-half of all forestland owners cite recreation and aesthetic enjoyment as reasons for owning their land. Less than one percent own forest land for timber production. However, nearly one-half have harvested timber from their land and of those that did not harvest, the majority plan to harvest in the future.

The possible economic opportunities for the forest industry in Wisconsin are varied and could include; bio-refining by pulp mills, use of woody biomass for fuel, new technologies that improve the recovery of products from timber, and the development new products from materials not traditionally utilized. The industry may also be aided by examination of government permitting and environmental regulations in order to allow prompt response to industry needs. Continued market assistance and training and development of future workers and are also important considerations in the continued health of the industry

## **CHAIR'S INTRODUCTION**

Wisconsin is blessed with an abundance of forests. These forests provide a rich array of ecological, economic and social benefits to all of us who call Wisconsin home, whether we live in Milwaukee, Marshfield or Hayward.

Over the last two years, the Council on Forestry has focused on several issues that affect the ability of our forests to provide the full range of benefits not only today, but for those who follow. This report highlights that work.

I am particularly pleased that we have been able to bring together a broad array of interests to work on some of the most significant challenges facing our forests. The Governor's Conference on Forestry, held in November 2004, was an important starting point for collective action to improve our forests.

I want to personally thank the Council members for their willingness to serve and to roll up their sleeves to tackle some challenging issues. I also want to acknowledge the work of others in the forestry community who have partnered with the Council in these efforts. Finally, I want to thank the Wisconsin Department of Natural Resources for their staff support for the Council.

## **COUNCIL CHARGE:**

The Wisconsin Council on Forestry (Council) was created in July 2002 to advise the governor, legislature, the Department of Natural Resources, the Department of Commerce, and other state agencies, as determined appropriate by the council, on all of the following topics as they affect forests located in the state:

1. The protection of forests from fire, insects, and disease.
2. The practice of sustainable forestry, as defined in s 28.04(1)(c)
3. Reforestation and forestry genetics
4. Management and protection of urban forests
5. Increasing the public's knowledge and awareness of forestry issues.
6. Forestry research
7. Increasing the economic development of the forestry industry and employment in the forestry industry.
8. Marketing and use of forest products.
9. Legislation that impacts on the management of forest lands in this state.
10. Staffing and funding needs for forestry programs conducted by the state.

## **MEMBERS**

- Paul DeLong, Chief State Forester.
- Senator Roger Breske
- Senator Russ Decker.
- Representative Donald Friske
- Representative Mary Hubler
- Fred Souba, Jr. of Stora Enso representing the interests of a forest products company that owns and manages large tracts of private forest land that supply raw materials to the forest products industry.
- William Horvath of Wisconsin Woodland Owners Association representing the interests of owners of non-industrial, private forest land who manage the land to produce ecological, economic, and social benefits.
- Vacant – Wisconsin County Forest Association representing the interests of counties that have county forests within their boundaries.
- William Ward of Procter & Gamble representing the interests of the paper and pulp industry.

- Troy Brown of Kretz Lumber Company representing the interests of the lumber industry.
- Mary Jean Huston of The Nature Conservancy representing the interests of nonprofit conservation organizations whose purposes include the conservation and use of forest resources.
- Fred Clark of Clark Forestry representing those engaging in the practice of providing consultation services on forestry issues.
- Jeffery Stier of the Department of Forest Ecology and Management, University of Wisconsin - Madison representing the interests of schools of forestry within the state that have curricula in the management of forest resources that are accredited by the Society of American Foresters.
- James Heerey of Barron County Woodland Owners Association representing the interests of persons who engage in the practice of conservation education.
- Jon Greenen of PACE International Union representing the interests of persons who are members of labor unions that are affiliated with the forestry industry.
- Kenneth Ottman of the City of Milwaukee representing the interests of persons who are engaged in the practice of urban and community forestry.
- Robert Rogers of the Society of American Foresters representing the interests of persons who are members of the Society of American Foresters.
- Leon Church of Sweetwood Builders representing the interests of persons engaged in an industry that uses secondary Wood
- Dennis Brown of the Wisconsin Professional Loggers Association representing the interests of persons who are members of an organization of timber producers.

#### **Executive Committee**

- Fred Souba - Chair
- Mary Jean Huston - Vice Chair
- Jeffery Stier - Secretary

### **2003 - 2004 ACCOMPLISHMENTS**

#### **I. Council Priorities**

At its December, 2003 meeting the council selected five issues as their short-term priorities.

1. Certification
2. Use of Woody Biomass
3. Fragmentation and Parcelization
4. Private Forestry Assistance
5. Invasive and Exotic Species

These were generated by council members utilizing the draft Statewide Forestry Plan to identify issues and then submitting their top 5-10 priorities to the chair. From these priorities, the chair developed a list of 11 issues. Discussion of the list focused on the short-term (less than one year) and/or long-term implications. As a result of the discussion the above five issues were chosen as short-term priorities.

Five task groups were then formed to address each issue and members volunteered to lead each effort: Certification – Paul DeLong, Use of Woody Biomass – Bill Horvath & Bill Ward, Fragmentation and Parcelization – Mary Jean Huston, Private Forestry Assistance – Bob Rogers, Invasive and Exotic Species – Fred Clark.

## **Certification**

In July 2003 Governor Jim Doyle charged the Wisconsin Council on Forestry to explore prospects for sustainable forest certification. Doyle said, "Certification affords us an opportunity to share with consumers across the globe Wisconsin's long-standing commitment to practicing sustainable forestry." He recognized that certification could also help Wisconsin's forest products industries stay competitive in world markets where demand for certified products is increasing.

Forest certification is a process in which a forest landowner undergoes an audit of their practices by an independent third party organization. If the forest practices of the landowner meet the standards for long-term sustainability identified by the certifying body, certification can be awarded. Wood products originating from certified forests can be marketed with assurance for environmental, social and economic considerations. While individual consumers have been slow to embrace the concept of forest certification, business and environmental interests around the world are recognizing forest certification as a viable approach to solving problems much like other manufacturing standards.

With the Council on Forestry's support, the Department of Natural Resources quickly mobilized a team to evaluate the feasibility of certifying three major land management programs administered by the Division of Forestry. A full certification audit of the State Forest program and scoping reports for the County Forests and private lands Managed Forest Law (MFL) were launched in October 2003. With recommendation from the Council on Forestry, the Natural Resources Board approved acceptance of dual Forest Stewardship Council (FSC) and Sustainable Forest Initiative (SFI) certification for Wisconsin State Forests in May 2004.

The initial State Forest project was followed by full audits of the County Forests in September 2004 and MFL in March 2005. Twenty-seven of twenty-nine County Forests accepted a combination of FSC and SFI certificates in a ceremony with Governor Doyle on March 18, 2005. After a highly favorable American Tree Farm System field audit, MFL will be officially certified by June 2005. The County Forest group certification program establishes a unique model with state government providing a simple, cost effective mechanism for lower units of government to participate in certification. The MFL Certified Group also sets a precedent by creating the largest private landowner group in the world with nearly 30,000 participants owning 2 million acres of predominantly "family forestland".

Accomplishing certification of 5 million acres of DNR administered land in less than two years is a remarkable achievement establishing Wisconsin as the leader in Lakes States sustainable forestry. Those efforts combined with private initiatives have certified nearly a third of Wisconsin's 15.7 million acre forest. That is expected to spur the attention of other landowners who have not considered sustainable management before. The challenge, then, will be to create additional opportunities to engage in certified sustainable management that appeal to the diverse market of private landowners who hold the 10 million-acre balance of Wisconsin's forest. Options in that regard will be the Council's next focus.

For information on the numbers of acres certified see:

- Appendix A - Wisconsin State Forest Acres in Forest Certification Programs
- Appendix B – Wisconsin County Forest Acres
- Appendix C – Wisconsin Managed Forest Law Certified Group

## Use of Woody Biomass

The Task Force's objective is to determine the role Wisconsin forests can play in utilizing woody biomass to meet the growing demand for energy.

The Task Force adopted eight objectives to be completed over a period including June 2006.

1. Look at forest inventory on woody biomass
2. Look at economics of business use
3. Review biomass use for fuel and energy to identify obstacles
4. Review industrial residue and municipal wood for opportunities and obstacles
5. Explore feasibility of small power plants in Northern Wisconsin
6. Explore other benefits from biomass use
7. Develop a support system backed by research and institutional arrangements
8. Conduct an analysis of existing state legislation and public policy for dealing with utilization and develop comprehensive state legislation

After extensive research and discussions with experts and interested parties, the Task Force made five recommendations to the Wisconsin Forestry Council. All five were adopted by the Council. Sub-Task Forces were formed for each recommendation which were the following:

1. The Task Force recommended adoption of a work plan for a legislation study to be conducted by the U.W. La Follette Institute.
2. The Task Force recommended that an economic and engineering feasibility study of ways to increase the utilization of wood for fuel in schools be developed in cooperation with the School Boards Association and Association of School Administrators for a "Fuel for Schools" program funded through the Focus on Energy Program.
3. The Woody Biomass Task Force recommended that the State of Wisconsin develop a pilot project with the U.W. Stevens Point to seek alternative energy sources for the UWSP heating system.
4. The Task Force also recommended that efforts to utilize woody biomass for heating and cooling and energy production be extended to the Wisconsin Prison system as well as the campuses of the Technical Colleges.
5. The Woody Biomass Task Force recommended that the state legislation be modified to exempt capital expenditures for heating facilities converting to renewable resources, including wood. In addition, it recommended that a district implementing a system be guaranteed the same level of aid funding that new construction receives. New construction aid is pegged at 67%.

Members:

- Chair - William Horvath, Wisconsin Woodland Owners Association
- Vice Chair - William Ward, P&G Paper Products Co.
- John Konig - Educational Advisor, Department of Engineering Professional Development
- Tom Scharff - Director of Power and Energy, Stora Enso
- Greg Hines - USDA, NRCS, Coordinator Glacierland RC&D

- Rob Benninghoff - Director, Renewable & Special Projects, Wisconsin Public Service
- Alexander F. De Pillis - Renewable Energy Engineer – Division of Energy
- Laurel Sukup - Forest Industry Sector Specialist, WDNR
- Don Wichert - Director Renewable Energy Program, WI Energy Conservation Corp.
- E.G. Nadeau - Director, Planning, Research and Development, Cooperative Development Services
- Robert Drevlow - Energy Advisor
- Pat Walsh - Energy and Environmental Specialist, UW-Extension
- Richard Hartmann - Director, Planning and Development, St. Croix Chippewa Indians of Wisconsin

**Fragmentation and Parcelization, Private Forestry Assistance and Invasive and Exotic Species Task Groups.**

Early in 2004 these task groups were formed and began to discuss issues and draft goals. Shortly thereafter, planning began for the Governor’s Conference on Forestry (see Section II). After hearing the Governor’s Conference Champions and Leadership Teams report on the key outcomes of the conference, the Council recognized the importance of their work aligning with the issues outlined in the Statewide Forest Plan and adopted the Leadership Teams from the Conference as subcommittees of the Council. As a result, the Fragmentation and Parcelization, Private Forestry Assistance and Invasive and Exotic Species Task Groups were combined with the relevant Leadership Teams from the conference. These issues are now represented as follows:

<u>Task Group</u>	⇒	<u>Leadership Team</u>
Fragmentation & Parcelization	⇒	Managing the impacts of Changes in Wisconsin’s Land Use and Forest Ownership
Private Forestry Assistance	⇒	Enhancing Assistance to Wisconsin Private Forest Landowners
Invasive and Exotic Species	⇒	Minimizing the Threat of Invasive Exotic Species to Wisconsin’s Forests

*For additional information see II. Governor’s Conference on Forestry – Themes.*

**II.**

## **Governor's Conference on Forestry**

The 2004 Wisconsin Statewide Forest Plan was released in October 2004. The plan is intended for all forestry partners, articulating a common vision for all of Wisconsin's forests. The Wisconsin Department of Natural Resources' Division of Forestry coordinated the plan's three-year planning process in collaboration with local, state and federal agencies, other private and public sector partners, and numerous individual citizens. It is based on five goals and ten principles for statewide sustainable forestry, a description of fifty-two trends and issues, and objectives to address each trend and issue. The vision of the Statewide Forest Plan is to work in partnership to protect and sustainably manage Wisconsin's public and private forests lands to ensure the ecological, economic, and social benefits of forests for the citizens of Wisconsin now and into the future. The full plan can be found at: <http://www.dnr.wi.gov/org/land/forestry/look/assessment/>.

Based on this collaborative belief, the Council on Forestry sponsored the Governor's Conference on Forestry, November 9-10, 2004, to bring together a diverse group of partners to lay the groundwork for initiating actions to address many of the issues identified in the plan. Numbering greater than 250, these forestry leaders represented forest-based industries, universities, environmental groups, landowners, conservation groups, professional associations and local, state and federal agencies. By their active participation in this working conference, they set a precedent for sustainable forestry in the state, demonstrating a commitment to partnering across non-traditional boundaries to address critical issues affecting Wisconsin's forests. To see outcomes from this conference please visit <http://www.wisconsinforestry.org>.

The conference focused on seven themes that grew out of the 52 trends and issues identified in Wisconsin's 2004 Statewide Forest Plan. These seven themes provided a conceptual framework that would facilitate bringing interested groups of leaders together at the conference. Seven key leaders from around the state were chosen for their leadership and expertise to be a champion a specific theme. Each Champion, with the help of facilitation from UW Basin educators, designed working sessions at the conference specific to their theme. The goal of the sessions was to address the most critical issues related to their theme by gathering forestry leaders together to lay the foundation of an action plan for their theme. In addition Champions developed leadership teams representing diverse forest interests to ensure a broader commitment and balanced perspective on the issues being addressed (see Appendix D). The Champions and Leadership Teams represent the core of partners around the state that are moving action forward to begin to implement the 2004 Statewide Forest Plan.

At the December 2004 Council on Forestry meeting, Champions and Leadership Teams reported on the key outcomes of the Conference to the Wisconsin Council on Forestry. The Council on Forestry recognized the importance of their work aligning with the issues outlined in the Statewide Forest Plan, and adopted the Leadership Teams from the Conference as subcommittees of the Council. For more information on the Leadership Teams and action plans for each of the seven themes please visit: [http://wisconsinforestry.org/activities\\_content\\_governor\\_1.html#4](http://wisconsinforestry.org/activities_content_governor_1.html#4).

### **Themes**

#### 1. Conserving Wisconsin's Biological Diversity

##### Key Issues

1. Increasing demands placed on Wisconsin's forests and other land uses present a challenge to managing for biological diversity statewide.

2. Sustainable ecosystems are needed to support forest-based economies over the long term.
3. Information about the biological diversity of Wisconsin's forests is scarce. Better understanding of biological diversity will help us manage issues such as old growth and endangered and threatened species.

*Key Action Items Coming Out of Conference*

1. Invest in and maintain an inventory and monitoring program that is the foundation for biological diversity conservation in Wisconsin.
2. Base biological diversity conservation (including protection, management and policies) on landscape scale plans.
3. Develop a representative system of reference areas to function as baselines for monitoring changes in biological diversity.
4. Provide incentives for managers and landowners to conserve biological diversity.
5. Use strategic marketing and outreach to make landowners and the general public stakeholders in conserving Wisconsin's biological diversity. Change the perception that biological diversity is antithetical to forest management and economic sustainability.

2. Enhancing Wisconsin's Urban Forests

*Key Issues*

1. An increasingly urbanized environment across Wisconsin creates the need to understand the extent and status of urban forests in the state and provide active management of these forests to ensure their long-term health and viability.
2. Pressures on local budgets are increasing, and urban forestry programs are often the first and most heavily cut programs.
3. Invasive exotic species threaten the viability of our urban forests.

*Key Action Items Coming Out of Conference*

1. Develop a continuous statewide urban forestry assessment.
2. Launch a statewide urban forest public awareness and education campaign
3. Identify, contain, and minimize the biological and socio-economic impact of exotic pests and plants on Wisconsin's urban and rural forest land.

3. Enhancing Assistance to Wisconsin Private Forest Landowners

*Key Issues*

1. 272,000 non-industrial private landowners own 57% of Wisconsin's forestland. It is increasingly difficult to provide professional forest management assistance to these landowners.
2. Many of these landowners are from urban areas. They tend to be less knowledgeable about sustainable forest management practices and more likely to be absentee landowners.
3. Fewer than 30% of private landowners have a management plan or receive professional management assistance.

*Key Action Items Coming Out of Conference*

1. Private Forestry Assistance: Create a centralized point of contact for forestry information. Create a position that would serve as a point of contact (1-800-FORESTRY) where woodland owners can go for relevant, science based information.

2. Forest Certification: Develop a program for private landowners to participate in a forest certification program. The cornerstone of any program should create ways to lower the cost to woodland owners and provide market incentives for participation; market sustainable forest management; educate the public on consumer choices; provide financial and technical assistance for group certification by organizations and cooperatives.
  3. Property Taxes:
    - a. It is recommended that the Governor appoint a Task Force to conduct a comprehensive study of taxation of lands based on use value assessment to protect natural resources of the state. The goal would be to devise a property tax system that would remove social and structural impediments to participating in a forest tax law program, encourage conservation and stewardship of Wisconsin's natural resources and encourage the maintenance of large blocks of contiguous forest.
    - b. Given the value of working forest easement to maintain large blocks of contiguous forests in family forest ownership it is recommended that the DNR in cooperation with the Department of Revenue develop and implement some system of property tax assessment that reduces the tax on properties with conservation easements (based on the restrictiveness of the easement).
  4. Changing Forest Land Owners Demographics:
    - a. Traditional methods of education and outreach that have worked for us in the past are unlikely to continue to serve us well in the future. Therefore, it is our recommendation that a systematic survey (market research) be developed to better understand who these new family forest owners are. What kinds of education and outreach programs and materials will be most effective to meet their needs?
    - b. Based on the previous recommendation it is also recommended that the DNR working with the University of Wisconsin system and in cooperation with other interested agencies, industry, organizations, cooperatives and local government develop a system to identify new family forest owners through tracking land transactions.
4. Maintaining Wisconsin's Forest Based Economy

Key Issues

1. Global demand for forest products requires primary and secondary forest industries to make business decisions in the context of a worldwide market.
2. Sustainable management certification is emerging, and the global market for sustainable forest products may give certified Wisconsin forests a competitive edge.
3. Sustainable energy and environmental standards will need attention to maintain healthy forest and human communities.

Key Action Items Coming Out of Conference

1. Increase the present efforts to work with NIPF to manage their timber lands in a sustainable manner.
2. Continue support of pilot study in the application Green Tier.
3. Work with the Professional Loggers Association to support the Master Loggers Certification Program.
4. Increase efforts to increase use of in-state alternative power production.
5. Continue to work with the industry, including transportation industry, to remove barriers that reduce the re-investment in infrastructure.

5.

## Managing the Impacts of Changes in Wisconsin's Land Use and Forest Ownership

### Key Issues

1. Patterns of land use and forest ownership influence long-term forest management. Suburban growth, second homes and other land uses convert contiguous forest into smaller patches.
2. Forest fragmentation, the breaking up of large contiguous forest patches into smaller isolated patches, is widespread, as is forest parcelization, or the subdivision of relatively large forest ownerships into smaller parcels owned by more landowners.
3. Related issues are providing incentives for landowners to prevent and mitigate impacts of parcelization and fragmentation, and public outreach on changing land uses and forest ownership.

### Key Action Items Coming Out of Conference

1. Maintain and expand viable tracts of forest land for ecological, economic and social values
  - a. Create a Governor's Task Force on industrial forest retention.
  - b. Consider use value assessment for forest lands.
  - c. Develop and promote best practices for development in forested areas.
2. Promote public understanding and appreciation of forests and the need to prevent forest fragmentation and parcelization:
  - a. Conduct poll of public to determine most effective messages about forest uses/values.
  - b. Commission white paper study on impact of parcelization and loss of industrial lands.
3. Identify economically and socially important forest lands.
  - a. Identify lands where parcelization / fragmentation would mean lost opportunities for land protection
  - b. Develop landscape level analysis to identify core areas and corridors
6. Minimizing the Threat of Invasive Exotic Species to Wisconsin's Forests

### Key Issues

1. Invasive exotic species may present the greatest threat to the long-term health and sustainability of Wisconsin's forests. Human activities such as commerce, travel, gardening, and recreation have introduced many nonnative plant and animal species to the state.
2. Control of invasive species and outbreaks of pests or pathogens is complex and costly.
3. Urban forests may become a focal point in a conflict between the traditional horticultural industry and ecological preservationists. Control measures for non-native species are often particularly controversial in developed areas.

*Key Action Items Coming Out of Conference*

1. Create Partnerships and Process for Development of Forestry BMP's for Invasive Species.
  2. Create a central repository for collecting and sharing standardized survey data on the presence and severity of invasive species.
  3. Provide incentives and facilitate development of local weed councils or Weed Management Areas (WMA's) throughout Wisconsin.
  4. Create an information clearinghouse pilot project to more effectively deliver information and resources about invasive species to private landowners.
7. Minimizing Recreational Use Conflicts in Wisconsin Forests.

*Key Issues*

1. More people than ever are using Wisconsin's forests for recreational activities, leading to increased conflicts among forest users.
2. Motorized forms of recreation (snowmobiles, off-highway vehicles, ATVs, etc.) are increasingly popular and can conflict with non-motorized forest users and have adverse environmental impacts.
3. The amount of forest land open for public use is decreasing, which affects the future of public hunting, fishing and other forms of recreation.

*Key Action Items Coming Out of Conference*

1. Revitalize the State Trails Council
2. Support and Promote Recreation Research
3. Support and Promote Education and Interpretation Services
4. Increase funding for Recreation Management

## **SUMMARY PER STATE STATUTE 26.02**

### **I. The magnitude, nature, and extent of the forest resources in this state.**

Of Wisconsin's 35 million acres of land about 16 million acres are forested. Forest area in Wisconsin has been steadily increasing since 1968, mostly due to the conversion of marginal agricultural land back to forests. Currently, forests cover about 46% of the total land area of the state. Urban forests, the trees and green space in communities and other built areas, cover an additional 1.7 million acres or about 4.7% of the total state land area.

#### **Forest Resources**

##### Acres of forest land by forest type

The most abundant forest types in Wisconsin are hardwood forest types. Maple-basswood, aspen-birch, and oak-hickory are the most common. Maple-basswood accounts for 5.3 million acres, followed by aspen-birch forest type with almost 3.4 million acres, and oak-hickory with about 2.9 million acres. While 84% of Wisconsin's forests are hardwood types, there are also significant softwood types occupying large areas, especially in the north. Red pine, jack pine, black spruce, northern white cedar, and tamarack are the most common conifer forest types.

##### Species composition by forest type

The maple-basswood forest type is the most common forest type in the northern part of the state and the state as a whole. A predominance of sugar maple and basswood characterize this type. Quaking aspen, paper birch, red maple, northern red oak, hemlock, yellow birch, and white pine are also common. Maple-basswood supports a variety of understory plants and animals.

Second to maple-basswood in total area is the aspen-birch forest type. Just less than 3.1 million acres of the Northern Mixed Forest region are aspen-birch. Important tree species in this forest type include quaking aspen, bigtooth aspen, and paper birch.

The Northern Mixed Forest is distinguished primarily by the prevalence of conifers. The most common conifer forest type is spruce-fir. Spruce-fir forests are fairly diverse and can occur in many moisture regimes. They are the most common wet forests in the north, and often surround and blend into bogs. Important tree species in spruce-fir forests include white spruce, black spruce, balsam fir, tamarack, quaking aspen, and white pine.

Seven percent (802,000 acres) of the Northern Mixed Forest in Wisconsin is pine forest type. Red pine, eastern white pine, and jack pine are the common pine species that occur in Wisconsin. Forest character can vary from jack pine barrens, to red pine plantations, to thick stands of young white pine, to old growth stands with pines hundreds of years old. Other than pines, common associates of pine forests are quaking aspen, paper birch, balsam fir, red maple, white spruce, northern pine oak, and northern red oak.

The most common forest type in the Southern Broadleaf Forest is oak-hickory. It represents about 46% of the forests in the southern part of Wisconsin. Primary tree species in oak-hickory forests include northern red oak, white oak, burr oak, northern pin oak, black oak, red maple, aspen, shagbark hickory, basswood, white pine and black cherry.

About a quarter of the forests in the Southern Broadleaf Forest are maple-basswood forest type. Species composition is similar to the northern maple-basswood forest, with sugar maple and basswood being the dominant species. However, there is decreased importance of hemlock, yellow birch and aspen and the increased importance of oaks as compared to the northern maple-basswood forests.

The soft maple-ash forest type generally is a lowland type that makes up a higher percentage of the southern than northern forests. However, the Northern Mixed Forest contains a larger net acreage of soft maple-ash forest type. Important species in this forest type are black ash, white ash, silver maple, and red maple. Other forest types of note in southern Wisconsin are aspen-birch, red pine, white pine, and jack pine.

#### Age class by forest type

Fifty-two percent of all forests in Wisconsin are under 50 years old. The oldest forest type in Wisconsin's forests is the Northern white-cedar type. Eighty-five percent of this type is over 50 years old. Of this 85% over 50, 23% is over 100 years old. The youngest forest type is the red pine type. Eighty-seven percent of the red pine type is under 50 years old. The oldest hardwood forest type is oak-hickory with 67% of the type over 50 years old. The youngest hardwood type is aspen with 79% under 50 years old.

#### Volume by species

In 1996, there were 18.5 billion cubic feet of growing stock volume, of which 4.4 billion were conifer, and 14.1 were hardwood. The highest volume softwood species groups were red pine, white pine and Northern white-cedar. The highest volume hardwood species groups were aspen, hard maple, soft maple and select red oak.

#### Growth, removals, mortality volume by species

In Wisconsin, our forests are growing at a rate that significantly exceeds harvest. Between 1983 and 1996, average net annual growth exceeded harvests and other removals by almost 158 million cubic feet. During the period between inventories, average net annual growth was 490 million cubic feet. Average annual removals were 332 million cubic feet, about 68% of average net annual growth. Growing stock average annual mortality was 190 million cubic feet.

Along with net growth exceeding removals overall, net growth exceeded removals for the state's maples, basswood, ashes, white and red pines, white and black spruces, and balsam fir. Oak species, aspen, paper birch, and jack pine removals exceeded net growth between inventories. Growing stock average annual mortality<sup>1</sup> exceeded average net annual growth for balsam fir, yellow birch, elm, paper birch and butternut. For all other species net growth exceeded mortality.

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<sup>1</sup> Definition of growing stock average annual mortality: The average cubic foot volume of sound wood in growing-stock trees that died in one year from causes other than as a result of logging or other removals (i.e. land clearing, timber stand improvement, standing volume on land classified originally as timberland but later designated as reserved from timber harvesting, etc.). Average annual mortality is the average for the years between inventories.

### Changes in trends

Most of the major trends in Wisconsin forests have remained relatively constant since periodic inventories by the Forest Service began in 1936. Although the forests trends have remained relatively constant, the forest itself has not. Areas and relative proportion of various forest types have changed significantly over the last 70 years. Hardwood succession is very apparent. Since the first official statewide forest inventory in 1936, aspen-birch forest area has decreased steadily, although it is still much more common than at the beginning of the Cutover. The Cutover was the period of intense timber harvest in the Lake States, lasting about 40 years, from 1880–1920. Since 1936, maple-basswood, soft maple-ash, and oak-hickory forests have increased just as steadily. Conifer forest area has remained roughly constant over the last 70 years.

Wisconsin forests have increased in age over the past 30 years. In 1968, only 34% of the forests in Wisconsin were over 50 years old. By 1996, the percentage over 50 years had increased to 52%. However, forests over 100 years old declined during the same time period from 6% to 4% of total forest land.

Most forest types followed the same pattern as total forest land with the exception of the soft maple-ash, white pine and red pine forest types. The soft maple-ash forest type over 50 years old decreased from 51% in 1968 to 40% in 1996. The White Pine (57% over 50 years) and Red Pine (13% over 50 years) forest types remained virtually unchanged during this time period. The percentage of Paper Birch forest type over 50 years old increased more than any other forest type over the past 30 years (20% to 47%).

Overall growing stock volume on Wisconsin timberland has increased steadily since the first forest inventory in 1936 (7.6 billion cubic feet) to the fifth inventory in 1996 (18.5 billion cubic feet). Between the last two completed inventories, 1983 and 1996, overall growing stock volume in Wisconsin's forests has increased by almost 12%—about two billion cubic feet. Along with this overall increase, the state's maples, oaks, basswood, ashes, white and red pines, white and black spruces and balsam fir are some of the commercially important species whose growing stock volume increased. Aspen, paper birch, and jack pine volumes decreased between inventories.

Growing stock average net annual growth exceeded average annual removals between 1968 and 1983 for virtually all major species groups including, oak species, aspen, paper birch and jack pine. Between 1983 and 1996 removals exceeded growth for each of these specific species groups which is a reversal of the previous inventory trend.

### Urban Forests

There are several competing definitions of “urban forest.” The USDA Forest Service defines it as areas where the population density is greater than 500 people per square mile. The Census Bureau defines it as 2,500 people within a political boundary. In Wisconsin, the extent of the urban forest is defined as that area classified as "urban/developed" by Wisconsin Initiative for Statewide Cooperation on Landscape Analysis and Data (WISCLAND) and any additional area encompassed by the political boundaries of cities and villages. The WISCLAND classification is based on percent of solid, impervious cover of man-made materials. This will encompass the built environment regardless of location. Most communities also have undeveloped land within their boundaries. This land is included in the delineation of the urban forest because it is either managed as urban forest, as in the case of parks and open space, or

development is expected in the long term. Using this definition, Wisconsin has 1.7 million acres of urban forest or about 4.7% of the total land area of the state.

In order to better delineate the urban forest, the DNR has contracted with the University of Wisconsin - Stevens Point to compare the various definitions of “urban forest” to see what is actually included or excluded on the ground. This information will be used help in a national effort to establish a national urban forest inventory and assessment. Wisconsin’s state urban forestry coordinator serves on the national task force charged with this responsibility.

## **Forest Health**

Average to above average precipitation brought both hardwood and coniferous forests back to a healthier state. Oak mortality that had been occurring over the past 2 years in north west Wisconsin stabilized. Oak mortality did continue in Marinette County, where several years of defoliation by the gypsy moth, drought and infestation by the two-lined chestnut borer stressed the resource. Populations of the gypsy moth took a dramatic downturn; only 20 acres of defoliation were observed in 2004, compared to the 65,000 observed in 2003. This good fortune was due in part to a successful spray program and a cool, wet spring and early summer. The weather was favorable for organisms that infect larvae of the gypsy moth. Populations of the jack pine budworm increased in west central and northwestern Wisconsin. Populations of this insect are expected to peak in 2005, particularly in northwestern Wisconsin. Statewide surveys for two new exotic forest pests, the Emerald Ash Borer and Phytophthora Ramorum (the cause of Sudden Oak Death) revealed no findings of either of these organisms.

### Threats to the Urban Forest

There are many things that threaten the urban forest and the benefits it provides. Similar to other resources, some of the threats are natural or biological, but most are related to human activities.

First and foremost is unplanned or poorly designed development and construction. If new or in-fill development takes tree and greenspace conservation into account a healthy urban forest can result. If not, the existing canopy cover will be removed unnecessarily and remaining trees will suffer construction injury, causing long-term management problems and reduced potential benefits. Rapid development also puts a strain on local governments’ staff and budget resources, making management of the new and existing urban forest more difficult.

Diseases, insects, wildlife and weather pose current and future threats to the urban forest. Gypsy moth is the most notorious pest at this time, however other pests such as the emerald ash borer and Asian long-horned beetle, are potential new pests that, if introduced, could have significant impact. Preliminary results of the USDA Forest Service pilot assessment showed a potential impact to the resource from the emerald ash borer alone at nearly \$4 billion.

Finally, the most important long-term threat to the urban forest is lack of research – biological, ecological, social and economic. Without this on-going study, communities will not have the tools to manage the urban forest ecosystem into the future.

Additional Information:

- Wisconsin. Department of Natural Resources, Division of Forestry. "Wisconsin Forest Health Highlights." December 2004. [Online] Available <http://dnr.wi.gov/org/land/forestry/Publications/FHH04.pdf>,
- Wisconsin. Department of Natural Resources, Division of Forestry. "Forest Health Conditions in Wisconsin Annual Report 2003." [Online] Available [http://dnr.wi.gov/org/land/forestry/FH/AnnualReport/Annual\\_Report\\_2003.pdf](http://dnr.wi.gov/org/land/forestry/FH/AnnualReport/Annual_Report_2003.pdf).

## **II. The current use in this state for forest products and the benefits that these forest products provide to the state.**

In 1999 (the most recent numbers available), Wisconsin's forests provided 369,743 MCF (thousand cubic feet) of wood products to the forest industry primarily to firms in Wisconsin. This is made up of 632 million board feet (bf) (111,017 MCF) of sawlogs to sawmills, 42 million bf (6,881 MCF) in veneer logs, 3 million cords (241,990 MCF) of pulpwood, and mixture of other products from cabin logs to posts. The pulp mills used an additional 644 thousand cords from other states, while 364 thousand cords produced in Wisconsin were used by mills located outside Wisconsin. These markets enable Wisconsin's forest to be actively managed by providing the economic means to manipulate the forest while meeting the goals of the land manager.

This steady flow of products, besides helping to manage the forests, provides for a strong economy through the 109,000 direct jobs that exist in the forest product industry. The timber production provides for primary, secondary and reconstituted wood products which includes the paper sector activity that accounted for approximately 6% of Wisconsin's 2002 gross state product (roughly \$22 billion of \$351 billion)<sup>2</sup>.

Wisconsin's forest product industry creates high paying jobs – average wages for forest industry jobs are \$38,000 annually, compared to the state average of \$30,000. Paper mill workers earn \$49,000 annually. It is estimated that approximately 5,000 jobs have been lost in the pulp and paper making industries in Wisconsin since 2000<sup>3</sup>.

The other amenities provided by the forest are difficult to put a value on, but are significant. David Marcouiller, Natural Resource Economist with the University of Wisconsin Madison has estimated that forest based recreation accounts for about \$5.5 billion of the \$14 billion spent on recreation, with \$2.5 billion of that being spent locally in the rural community. People tend to buy their snowmobiles, groceries, camping gear where they live before heading out to the forests to recreate. It is also interesting to note that areas having a significant forest based recreation also have significant forest industry. This helps to provide the needed infrastructure for the recreation industry through service jobs that are created by manufacturing plants and their workers' service needs.

Urban forests in Wisconsin provide a myriad of ecological, social and economic benefits to the state. In the draft of a recent urban forest assessment piloted by the USDA Forest Service and DNR, preliminary estimates show Wisconsin's urban forests annually remove 6,750 metric tons of air pollution valued at \$38.3 million, annually sequester 360,000 metric tons of carbon valued at \$7.3 million and annually reduce building energy use by \$9.6 million. The structural value of the urban forest (the cost to replace the trees) was estimated at \$25.9 billion. In addition, a recent study by the Wisconsin Agricultural Statistics Service released in 2004 showed that the "Green Industry", that is the production, installation and maintenance of landscape trees, shrubs, sod, flowers, etc., contributed \$2.6 billion to the state's economy.

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<sup>2</sup> Minnesota IMPLAN Group. IMPLAN Professional 2.0 and 2002 Wisconsin Data files. 2004

<sup>3</sup> Center for Technology Transfer, Inc. Wisconsin's Forest Product Industry Business Climate Status Report 2004.

**National, State and County Comparison: 2001 & 2002<sup>4</sup>**

	Forest Products & Processing Output*			Forest Products & Processing Employment			Forest Products & Processing Employee Compensation*		
	2001	2002	\$ Change	2001	2002	# Change	2001	2002	\$ Change
U.S.	361,927	377,922	15,995.00	2,758,052	2,740,112	-17,940.00	87,202	94,368	7,166.00
State of Wisconsin	21,964	22,188	224.00	113,097	109,356	-3,741.00	4,551	4,789	238.00
<b>Wisconsin Counties</b>									
Adams	84	81	-3.00	566	449	-117.00	14	18	4.00
Ashland	112	121	9.00	1,021	845	-176.00	19	17	-2.00
Barron	80	96	16.00	728	805	77.00	20	20	0.00
Bayfield	23	21	-2.00	244	67	-177.00	2	1	-1.00
Brown	2,952	2,851	-101.00	10,564	9,591	-973.00	528	552	24.00
Buffalo	21	12	-9.00	305	103	-202.00	4	2	-2.00
Burnett	22	35	13.00	249	257	8.00	4	5	1.00
Calumet	22	24	2.00	305	367	62.00	7	8	1.00
Chippewa	191	144	-47.00	1,488	880	-608.00	37	31	-6.00
Clark	138	103	-35.00	1,057	814	-243.00	34	26	-8.00
Columbia	74	70	-4.00	595	671	76.00	16	20	4.00
Crawford	87	73	-14.00	541	467	-74.00	15	16	1.00
Dane	396	424	28.00	3,831	4,911	1,080.00	114	152	38.00
Dodge	80	71	-9.00	1,172	1,181	9.00	28	28	0.00
Door	5	3	-2.00	70	38	-32.00	1	1	0.00
Douglas	68	72	4.00	453	458	5.00	13	14	1.00
Dunn	82	95	13.00	702	845	143.00	20	18	-2.00
Eau Claire	104	148	44.00	660	963	303.00	31	34	3.00
Florence	31	31	0.00	271	242	-29.00	6	6	0.00
Fond du Lac	375	533	158.00	2,098	2,831	733.00	136	144	8.00
Forest	54	90	36.00	639	625	-14.00	10	10	0.00
Grant	51	36	-15.00	498	277	-221.00	10	7	-3.00
Green	8	3	-5.00	180	26	-154.00	3	0.433	-2.57
Green Lake	36	21	-15.00	281	171	-110.00	10	6	-4.00
Iowa	29	29	0.00	309	302	-7.00	7	7	0.00
Iron	34	61	27.00	351	437	86.00	8	10	2.00
Jackson	25	48	23.00	223	244	21.00	3	3	0.00
Jefferson	213	243	30.00	1,611	1,524	-87.00	50	56	6.00
Juneau	53	45	-8.00	400	304	-96.00	8	6	-2.00
Kenosha	88	113	25.00	806	920	114.00	29	37	8.00
Kewaunee	92	76	-16.00	656	551	-105.00	22	19	-3.00
LaCrosse	110	143	33.00	832	1,059	227.00	26	34	8.00
Lafayette	6	0.1	-5.90	53	6	-47.00	4	0.032	-3.97
Langlade	80	107	27.00	653	751	98.00	15	17	2.00
Lincoln	442	407	-35.00	2,212	1,933	-279.00	77	71	-6.00
Manitowoc	154	175	21.00	1,144	1,231	87.00	38	41	3.00
Marathon	1,530	1,505	-25.00	8,204	7,763	-441.00	303	326	23.00
Marinette	551	542	-9.00	2,383	1,954	-429.00	76	87	11.00
Marquette	25	47	22.00	206	271	65.00	5	7	2.00

<sup>4</sup> Minnesota IMPLAN Group. IMPLAN Professional 2.0 and 2002 Wisconsin Data files. 2004

	Forest Products & Processing Output*			Forest Products & Processing Employment			Forest Products & Processing Employee Compensation*		
	2001	2002	\$ Change	2001	2002	# Change	2001	2002	\$ Change
Menominee	1	1	0.00	4	4	0.00	0.049	0.008	-0.04
Milwaukee	1,052	975	-77.00	6,237	5,522	-715.00	265	268	3.00
Monroe	50	57	7.00	489	475	-14.00	10	10	0.00
Oconto	165	139	-26.00	1,425	1,006	-419.00	33	29	-4.00
Oneida	273	286	13.00	978	900	-78.00	45	45	0.00
Outagamie	1,718	1,661	-57.00	6,313	6,082	-231.00	334	363	29.00
Ozaukee	163	124	-39.00	1,125	888	-237.00	37	34	-3.00
Pepin	11	13	2.00	84	77	-7.00	2	2	0.00
Pierce	34	26	-8.00	335	195	-140.00	10	5	-5.00
Polk	66	72	6.00	510	518	8.00	21	17	-4.00
Portage	477	525	48.00	1,772	1,675	-97.00	76	82	6.00
Price	236	289	53.00	1,176	1,338	162.00	40	48	8.00
Racine	172	152	-20.00	1,063	1,094	31.00	39	43	4.00
Richland	15	14	-1.00	344	142	-202.00	5	3	-2.00
Rock	168	238	70.00	1,170	1,744	574.00	54	69	15.00
Rusk	218	223	5.00	1,591	1,502	-89.00	48	51	3.00
St. Croix	61	82	21.00	536	561	25.00	19	22	3.00
Sauk	54	87	33.00	1,069	1,746	677.00	18	29	11.00
Sawyer	53	73	20.00	496	504	8.00	10	12	2.00
Shawano	225	237	12.00	1,783	2,492	709.00	49	58	9.00
Sheboygan	487	473	-14.00	3,655	3,238	-417.00	128	128	0.00
Taylor	196	200	4.00	1,466	1,436	-30.00	44	46	2.00
Trempealeau	341	451	110.00	3,369	3,549	180.00	102	126	24.00
Vernon	10	12	2.00	235	92	-143.00	3	1	-2.00
Vilas	54	58	4.00	450	442	-8.00	9	10	1.00
Walworth	134	107	-27.00	1,351	987	-364.00	39	32	-7.00
Washburn	60	96	36.00	582	693	111.00	12	14	2.00
Washington	215	189	-26.00	1,334	1,084	-250.00	45	50	5.00
Waukesha	496	483	-13.00	3,397	3,102	-295.00	135	143	8.00
Waupaca	104	120	16.00	674	738	64.00	26	26	0.00
Waushara	22	17	-5.00	310	230	-80.00	4	3	-1.00
Winnebago	4,199	4,265	66.00	12,463	12,330	-133.00	811	842	31.00
Wood	1,907	1,746	-161.00	6,750	5,835	-915.00	321	321	0.00
*Millions of Dollars									

**III. The projected future demand for forest products and the projected benefits that these forest products will provide to the state in the future.**

The forest industry has often been referred to as a spider web of inter-dependencies; therefore, projecting the future is very difficult. In Wisconsin the pulp and paper industry is the largest sector of the forest industries accounting for approximately 2/3 of the output in value and raw material consumption. If you look at paper demand historically, it has grown with the growth of population, but has followed a 5 year up and down cycle as new plants come on line and capacity exceeds demand and then demand catches back up to production and the cycle starts over again.

It can reasonably be expected that the demand for paper will grow in the world, but where the supply will come from is a greater question. If the domestic suppliers can stay competitive in the global market place they should survive. Demand has been growing for the high quality paper that Wisconsin produces. What is not realized by some is that the forests in the world are expanding; Ed Pepke, Forest Product Marketing Specialist with the UNEOC&FAO Timber Branch Geneva Switzerland, has stated that we need to increase the demand for wood globally so the demand will keep up with the growing supply in the world.

There are concerns that the paper industry in Wisconsin has not been investing enough capital to keep their plants efficient and competitive in the global markets. If this trend does not change the long term future for the industry could be grim. Recently there have been some changes in this, with some companies investing in their plants. It will take an active role by the government to make sure that the long term direction of this industry is growth and not decline. If the paper industry remains competitive in the global markets they should be able to grow and provide markets for Wisconsin wood.

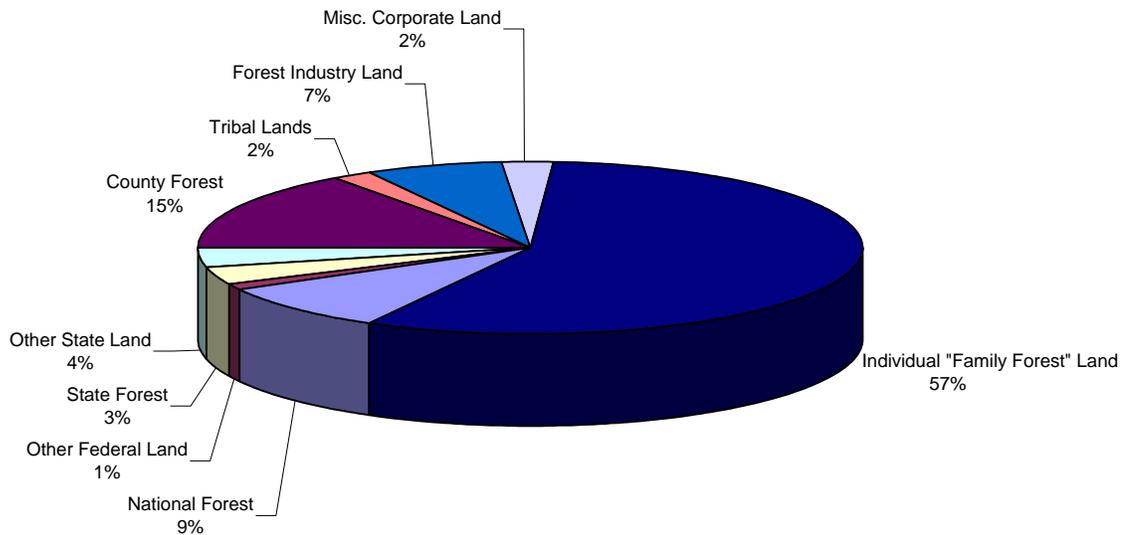
Sawmills and veneer plants have seen some of the best markets recently that they have seen in some time. With continued remodeling, home building and a resurgence of manufacturing with its related increase in demand for pallets lumber prices have been very good. Flooring has made a resurgence in the market place with production levels reaching those achieved in 1966. The 2004 shipments level of 672,805,000 bd ft reflects a steady upward trend in flooring shipments according to the National Oak Flooring Manufacturers Association. This has been caused by consumers making the choice of wood floors over carpeting. There is very strong foreign competition in the engineered and laminate flooring markets and to a lesser degree in the solid wood flooring.

As furniture production has moved off shore the demand for hardwood lumber from the kitchen cabinet industry has provided one of the stabilizing forces in the market. The flooring and kitchen cabinets markets are projected to grow. This should provide a good market for Wisconsin mills unless significant competition starts from off shore producers. The normal ups and downs that these markets have will continue to occur. Some of the producers are looking to exporting some of their products such as lumber, doors, windows, and logs to diversify their customer base. Wisconsin has high quality hardwood that will continue to be in demand for solid wood products.

**IV. The types of owners and forms of ownership that apply to forests in this state, including the reasons why persons own forest land.**

**Wisconsin Rural Forest Ownership**

**Ownership of Wisconsin Rural Forestland (15.9 Million Acres)**



*Figure 1. Wisconsin Forest Ownership, 2003*

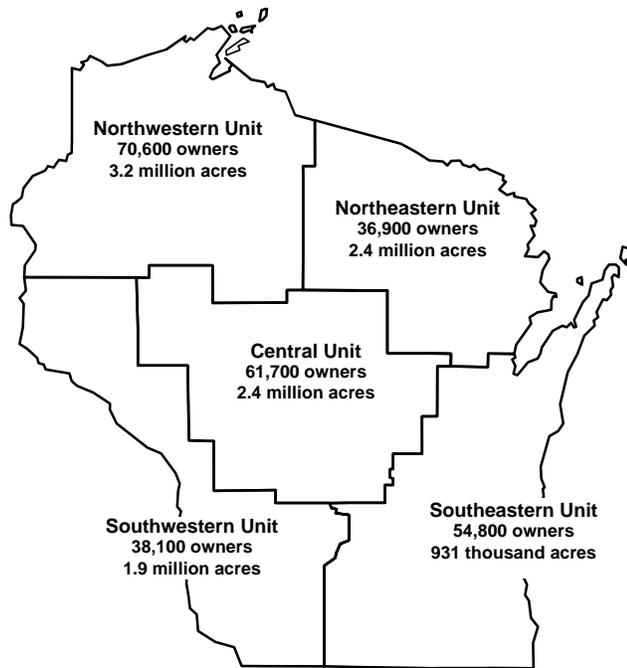
Of approximately 16 million rural forested acres in Wisconsin, 57% are in individual, "Family Forest" ownership (i.e., Non-Industrial Private Forestland (NIPF) owners). The rest is County Forest, 15%; National Forest, 9%; Other State Land, 4%; State Forests, 3%; Forest Industry Land, 7%; Miscellaneous Private Corporation Land, 2%; Tribal Land, 2%; and Other Federal Land, 1%.

In addition to rural forestlands, there are 2.2 million acres of urban forest in Wisconsin.

**Number of Private Owners and Parcel Size**

According to the 1997 Forest Inventory Analysis, more than 262,200 private forest landowners hold an estimated 10.8 million acres of forestland. If preliminary data coming out of the 2003 Forest Service National Landowner Survey for the northern region of the United States hold true for Wisconsin, the number of landowners is likely to be about 21% higher, or about 317,000 private landowners at present. That would be similar to a 20% increase in landowners observed in the previous ten-year time period dating back to 1984.

Based on the 1997 reports, private forest landownership is well distributed throughout the state, although parcel sizes tend to be significantly smaller in the more populous areas (Figure 2). Statewide, the 1-9 acre parcel size class has 35% of the landowners, but only about 3.5% of the forestland (Figure 3). About 170,000 owners hold the 9.4 million acre balance. The overall average parcel is about 35 acres in size for individual owners. For landowners with ten or more acres, the average parcel is 55 acres.

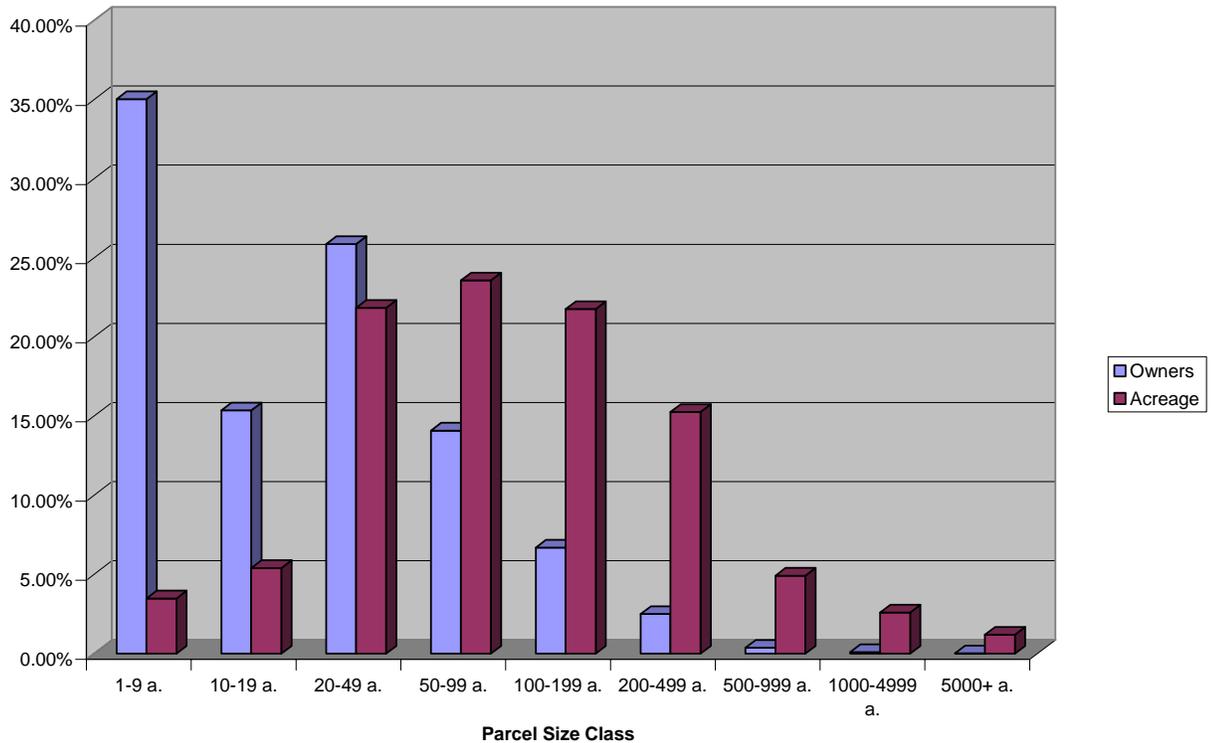


*Figure 2. Distribution of private forestland owners and acres owned between forest survey units, 1997.*

Owners and Acres by Unit				
Unit	Owners		Acres	
	Thousand	Percent	Thousand	Percent
Northeastern	36.9	14	2,432.3	23
Northwestern	70.7	27	3,165.7	29
Central	61.7	23	2,394.9	22
Southwestern	38.1	15	1,888.2	17
Southeastern	54.8	21	930.8	9
State total	262.2	100	10,811.9	100

*Table 1. Estimated number of private forestland owners and acres owned by unit, Wisconsin, 1997.*

**Wisconsin Forest Ownership: Percentage of Owners and Acres**



*Figure 3. Percentage distribution of Wisconsin forest owners and acres by parcel size class, 1997.*

### **Managed Forest Law Participation**

The Wisconsin Managed Forest Law (MFL), which provides a significant property tax reduction and technical forestry guidance, is the primary forest stewardship incentive offered to Wisconsin landowners. As of January 1, 2005, MFL includes 37,110 MFL Orders of Designation for individual, predominantly "Family Forest" landowners (29,458 unique landowner names). The agreements cover 1,946,992 acres. Of those lands, 24.55% (383,800 acres) were open to public access.

### **Forest Industry Ownership**

Nearly 95% of Wisconsin's forest industry owned woodlands were transferred as global corporations realigned or divested their land holdings over the last five years. Since January 2003, approximately 37,000 acres were sold to small private landowners. Forest industry owners now hold 991,656 acres in Wisconsin Forest Tax Law programs. Of that land, only 1% (8,784 acres) is closed to public access.

Wisconsin Forest Legacy conservation easements currently protect approximately 36,000 acres of industrial forest lands from development. If successful, three ongoing easement proposals will more than double the acres in Legacy protection in 2005. As part of the 1990 Farm Bill, Congress created the Forest Legacy Program to identify and protect environmentally important private forestlands threatened with conversion to nonforest uses - such as subdivision for residential or commercial development. To help maintain the integrity and traditional uses of private forest-lands, the Forest Legacy Program promotes the use of conservation easements.

### **Demographics of Wisconsin Individual Private Forest Landowners<sup>5</sup>**

Individual forest landowners are employed in a variety of occupations. Twenty-one percent are white-collar workers, 18 percent blue-collar workers, and 13 percent farmers. However, the most distinguishing factor about individual owners is that over one-fourth of them are retired. Collectively, retired owners hold nearly one-fourth of all private forestland in Wisconsin. Retired owners have taken the place of farmers as the predominant forestland holders because farmers have been divesting their holdings. For example, in 1956, farmers owned 6.4 million acres of forestland in Wisconsin. By 1997, farmer-owned forestland had declined to 1.5 million acres.

Individual forest landowners are older than the general population. With a large share of forest landowners retired, it follows that 25 percent are 65 years of age or older, whereas only 13 percent of the general population is 65 or older. Young forest landowners, those under 44 years of age, make up only 16 percent of all owners.

Wisconsin's individual forest landowners have higher household incomes than the state's general population. In 1995, the median household income in Wisconsin was \$40,955. In 1997, (the year of the survey) 55 percent of the individual forestland owners who answered the survey question about income had annual incomes greater than \$40,000. Nineteen percent had incomes greater than \$75,000.

Most individual owners reside within a mile of their forestland. However, more than one-fourth of all owners have forestland that is more than 25 miles from their residence. Thirteen percent of the owners maintained their primary residence outside of Wisconsin, mostly in Minnesota and Illinois.

### **Reasons for Owning Forestland**

Forestland is owned for a variety of reasons. However, two reasons stand out — recreation and aesthetic enjoyment. Almost one-half of all individual owners hold forestland for those reasons. Interestingly, timber production is not an important reason for owning forestland for individual owners. Less than 1 percent of all individual owners hold forestland for timber production. However, those holding forestland for timber production own about half a million acres of forestland. Benefits derived from owning forestland correspond closely to reasons for owning forestland. Recreation and aesthetic enjoyment are the primary benefits received from owning forestland. Owners expect to receive benefits in the future similar to those they received in the past.

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<sup>5</sup> The balance of this section is taken from Wisconsin Private Landowners: A Profile, by Earl C. Leatherberry, Woodland Management Magazine, Spring 2001.

## Timber Harvesting

Although many individual owners hold forestland for recreation and aesthetics, nearly one-half (46 percent) of all owners have harvested timber from their land. About one-fourth of all harvesters removed timber because they thought it was “mature.” One-fifth harvested timber for their own use, primarily for fuelwood. Few harvested because they needed money or received a good price.

A majority (54 percent) of individual owners, holding one-fourth of all private forestland in Wisconsin, have never harvested timber. Nineteen percent of owners who did not harvest believe harvesting would reduce the beauty of their land. Other important reasons for not harvesting are owners generally do not believe that timber is of a size or quantity that warrant harvest (18 percent), or holdings are too small (15 percent). Sixteen percent of the owners did not harvest because they are opposed to harvesting. Those owners hold nearly half a million acres (430,172 acres).

## Timber Harvest Intentions

Of the owners who did not harvest, many plan to harvest in the future. About 70 percent of all individual owners, holding 86 percent of individual private forestland, intend to harvest timber sometimes in the future. However, 26 percent of owners say they will never harvest timber. Those owners hold 11 percent of individual private forestland and are from all occupational backgrounds, but 42 percent of them are retired and hold over 300,000 acres. Six percent of the owners holding 3 percent of all forestland did not answer the question about harvest intentions.

## Knowledge and Use of Forest Management Assistance

About one-third (35 percent) of all individual owners surveyed did not know of an agency or office to contact for forest management assistance. Tract size has a very strong influence on whether an owner has knowledge about who to contact for assistance as shown below:

<b>Size of holding</b> (acres)	<b>Do not know whom to contact for assistance</b> (percent of owners)
1-49	40
50-499	22
500+	6

Twenty-eight percent of owners have sought advice or assistance in managing their forestland. Knowing whom to contact for assistance and seeking assistance obviously are strongly related, and are influenced by tract size. As size of holding increases, owners are more likely to use assistance as shown below:

<b>Size of holding</b> (acres)	<b>Sought assistance</b> (percent of owners)
1-49	20
50-499	53
500+	86

## Forest Recreation

Two-thirds of individual owners use their forestland for recreation. This is not surprising, as recreation is an important reason for owning forestland. Hunting is the most popular activity. Individual private owners tend to limit public use of their forestland; only 20 percent of all individual owners make their forestland available for public recreation. Owners who allow public use permit a variety of activities, primarily snowmobiling, hunting, and hiking. Owners with larger tracts are more likely to permit public access to their forestland than are owners with smaller tracts. To discourage or to control public access, 44 percent of all individual owners post their land. Fifty-five percent of all individual private forestland is posted.<sup>6</sup> Primary reasons for posting land are to control or prohibit access and to control hunting.

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<sup>6</sup> In July 1996 Act 451, which no longer required landowners to post their properties in order to prosecute trespassers, became effective. As a result, the survey percentages of landowners who post their property may no longer be accurate.

V. **The success of existing incentives that are offered to stimulate the development of forest resources.**

**Managed Forest Law**

In 1985, the Wisconsin State Legislature enacted the Managed Forest Law (MFL) Program to allow Wisconsin landowners to be recognized for their forest stewardship efforts and qualified for a reduced tax burden because of the public benefits provided by well-managed forests. Since being established, more than 31,000 “non-industrial” landowners with 2 million acres have enrolled in the MFL program. The MFL Program is widely recognized as a model program for addressing landowners’ interests while promoting public benefit of sustainable forestry.

*For additional information on the MFL program please see Appendix E*

**Forest Lands Enhancement Program (FLEP)**

FLEP is a federal program administered by the WI-DNR Division of Forestry. It provides up to 65% cost share for the preparation of management plans and the implementation of designated practices. Maximum cost shares earned set by federal government currently \$10,000.

Cost sharing is available for:

- Tree Planting
- Timber Stand Improvement
- Water Quality and Improvement and Watershed Protection
- Forest Health and Improvement
- Exclusion Fencing
- Fish and Wildlife Habitat
- Wildfire and Catastrophic Event Risk Reduction
- Invasive Forest Species Control

**Wisconsin Forest Landowner Grant Program (WGLGP)**

This state program is administered by the WI-DNR Division of Forestry. It provides up to 65 % cost-share for the preparation of management plans and the implementation of designated practices. The maximum cost shares earned set by the state is currently \$10,000 per year.

Cost sharing is available for:

- Plan Preparation
- Tree Planting
- Timber Stand Improvement
- Soil & Water Protection
- Fencing
- Wildlife Practices
- Fisheries Practices
- Buffer Establishment
- Threatened & Endangered Species Protection
- Historic & Aesthetic Enhancement

## **Environmental Quality Incentive Program (EQUIP)**

This federal program is administered by the Natural Resources Conservation Service (NRCS) with NRCS and DNR Forestry as technical agencies. It provides up to 75 % cost share. At least 65 % of dollars available are allocated to priority areas, the remainder is available statewide. The maximum cost shares set by federal government is currently \$10,000 annually; \$50,000 per contract.

Cost sharing is available for:

- Tree Planting
- Ecosystem Management
- Erosion Control (on Agricultural land)
- Agricultural Waste Management
- Stream Buffers

## **Conservation Reserved Enhancement Program**

CREP is a federal program administered by Farm Services Agency (FSA) with Natural Resources Conservation Service (NRCS) and DNR technical agencies. This annual payment program is based on bids submitted by the landowner. The program provides 50 % cost-share for cover establishment. The maximum annual payment is established for not farming, not for cost shares received.

Cost sharing is available for:

- Plan Preparation
- Tree Planting
- Wildlife Planting
- Grass Establishment

*For information on accomplishments of these programs, please see Appendix F.*

## **Urban Forestry Grants**

The urban forestry grant program provides 50-50 cost-share funds to Wisconsin cities, villages, towns, counties, tribal governments, and 501(c)(3) nonprofit organizations to improve their ability to manage their urban trees. Types of projects funded include: conducting inventories, staff training or public education workshops, developing urban forest management plans, training materials or public information fliers, planting, pruning or removing trees, celebrating Arbor Day and other projects specific to a community's urban forest needs.

Over the past two years, the department has given out 55 grants to cities, 37 to villages, 10 to towns, 2 to counties, 1 to a tribe and 18 to nonprofit organizations throughout the state totaling over \$1.3 million. These grants provide communities the incentive to initiate or improve management of their urban forest resources. The grants not only result in improved management, but also result in public-private partnerships that stimulate the commercial and non-government sector. In 2004 and 2005 the program encouraged projects in inner-city neighborhoods and provided 9 grants totaling \$160,000 to support these projects. The grant program has played a significant role in helping Wisconsin communities achieve the national recognition of Tree City USA, ranking Wisconsin third in the nation with 158 Tree City USAs.

**VI. The possible economic opportunities in this state that may result if improved forest-product marketing, and increased business dealing in or use of forest products, occurs in this state.**

Economic opportunities that will improve forest product marketing, increase business dealing in the use of forest products from Wisconsin's forests are varied.

In the pulp and paper industry, bio-refining may offer the potential for pulp mills to develop other products as part of their processing process. This would then add to the revenue stream improving their competitive picture in the global economy. The use of biomass for fuel may help to lower their cost of operation as the technology for removing it from the land improves. These industries are constantly looking for new products and processes to remain profitable.

The solid wood manufacturer will be implementing new technologies which improve the recovery of products from the timber they use as they develop. The changing technology will also allow them to use material that they could not use in the past. Some sawmills have installed computer optimization equipment which improves the volume and value recovered from the products produced from the logs they process.

The development of new products and getting acceptance of material traditionally not used for a product has potential for helping in the management of the forest. The potential of black locust for radius edge decking might provide a market for this material. Black locust is rot resistant and currently has a limited market for posts. If it is acceptable as a substitute for radius edged deck, which is primarily treated southern yellow pine, an invasive species would become a desired product. Also work would have to be done to include it into the current building codes. In the southern U.S., pine needles are gathered for use in landscaping; this is called pine straw. Could pine needles be gathered in Wisconsin and sold to the landscapers creating a new product and another revenue stream for the land owner? This idea would also reduce the fire hazard by fuel reduction on the forest floor. These are just two examples of potential products. To work on this type effort you need technical staff in the state forester office and in the university to find and develop new ideas. Just as in business, there is a need to constantly encourage new products in order to maintain markets and thus enable sustainable management of the forest.

The biomass industry is the lowest value use of the forest, but still offers markets for material. Effort needs to be made to encourage the use of biomass fuels where it makes economic sense. There is potential for schools to reduce fuel costs by displacing natural gas, electricity or oil consumption by using the residual wood of a nearby wood processing plant. This also holds potential for other applications as the removal technology lowers the costs of the residuals left in the woods.

## **VII. Recommendations for increasing the economic development of the forestry industry and employment in the forestry industry.**

### **Biomass**

The biomass area offers the potential to provide markets for materials traditionally not used. However, care needs to be exercised so that a situation which encourages biomass over other uses that have traditionally been of higher value such as pulp and paper, is not created.

Creation of a “Fuel for Schools” program would encourage school districts to use biomass where it makes economic sense and a localized fuel source is available. This would keep expenditures for fuel cost in local market which may help the rural economy create markets for locally available material. One suggestion that has been talked about is to make the conversion costs and biomass fuels exempt from the current caps put on school districts. This would provide a significant incentive for a school to convert to biomass fuel since it would free up valuable resources for educational use.

### **Permitting**

Government permitting and environmental regulation need to be structured to allow for a prompt response to industry needs. These regulations also need to be cost effective so the industry can compete in a global market. If our environmental protection costs are significantly higher than the companies Wisconsin firms compete with, it puts Wisconsin companies at a disadvantage. The speed at which permits are available can have a significant impact on new plants and plant retention. The cost of regulation is especially severe on smaller firm. A recent survey for SBA’s Office of Advocacy found that, firms employing fewer than 20 employees face a total annual regulatory burden of \$6,975 per employee, a burden nearly 60 percent above that facing a firm employing over 500 employees.<sup>7</sup>

Legislative work is needed to help address the length of time it takes to obtain permits. There were fifteen areas identified for improvement in “Wisconsin Forest Products Industry Business Climate Status Report 2004”<sup>8</sup>. Some of these recommendations were to reduce the time of obtaining permits, develop programs that give industry ownership an incentive to excel in environmental issues, and consistent rules and regulation governing environmental aspects.

### **Transportation**

Transportation costs play a significant role in the ability of companies to compete. Modification to the current statutes which would reduce transportation costs will help the companies compete in the global market. For example, calculating the allowable weight based on number of axles would allow more gross weight. Careful monitoring of road restrictions to keep them to a minimum are some very general examples.

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<sup>7</sup> Center for Technology Transfer, Inc. Wisconsin’s Forest Product Industry Business Climate Status Report 2004. p.25

<sup>8</sup> Center for Technology Transfer, Inc. Wisconsin’s Forest Product Industry Business Climate Status Report 2004. p55.

## **Education**

The work force that is available to an industry plays a role in their success. Currently there is a shortage of loggers and skilled woods workers.

From 1997 to 2000 the number of logging contractors declined by 23% (418 contractors). This reflects a change to more mechanized operation and loggers leaving the profession. The average age of the logging contractors in Wisconsin according to the Wisconsin Professional Logger association is 52. The current temporary coordinator of Wisconsin's WoodLinks program has recognized this and is developing specific logging programs for schools in northern Wisconsin.

### *WoodLinks for Wisconsin*

The WoodLinks program connects the forest industry to technical education programs in high schools. Wisconsin has been a leader in the implementation of the WoodLinks program. There is a need for a permanent statewide WoodLinks coordinator to organize the interaction of schools and the forest industry. WoodLinks secured a \$100,000 grant to fund a statewide coordinator for one year. The grant came from the Department of Commerce forestry education grants program which is funded through the forestry mill tax. The WoodLinks coordinator has been very successful in providing direction to the program. Continuity is needed for this program to succeed.

### *Technical College Woods worker program*

With the shortage of woods workers there is a need for a technical college program to help prepare workers for working in this field. The current equipment is becoming increasingly more sophisticated to operate. The timber processors used in the woods can take up to three months of training to be able to run and several years to become proficient. The lack of skilled operators is limiting expansion of this industry. A technical college program which introduces woods workers to forestry, surveying, safety procedures, conventional harvesting and automated harvesting would help meet the demand for workers. There are simulators available for the automated equipment. The WoodLinks program in high schools would play an important role in this effort by introducing high school students to the opportunities in this area.

### *Continued support for Wood techniques programs in technical colleges*

The current wood techniques program at the technical colleges provides needed training and manpower for both the primary and secondary forest product industries. The continued support of this effort through adequate funding is important to maintaining the strength of this industry.

### *University level wood products curriculum*

The University of Wisconsin at Madison and Stevens Point both offer forestry degrees. There is a need to continue and expand upon the basic forest product courses at these institutions so the foresters will have the necessary knowledge to work in the industry.

## **Market Assistance.**

### *Forest Product Diversification Grant Program*

Currently the Wisconsin Department of Agriculture has a very successful program titled “Agricultural Development and Diversification Grant Program.” This program offers grants up to \$50,000 to small businesses for applied projects that help them diversify or expand their markets. Looking at the past projects funded by this program, most were around \$12,000 for projects which helped companies leverage other funds to open new markets for their products. This program had an allocation of \$380,000 for 2003.

A similar program would be very beneficial to help entrepreneurs in the forest industries get small businesses started or to grow. Quite often the very small forest products companies, like the small farmer, have ideas for new products but lack the needed initial resources. This type of effort can be very successful in helping a small company grow from small to medium size. For example, sometimes one small piece of equipment and attending a trade show will enable a small firm to open up new markets.

It is hoped that through this grant program the state could assist firms grow while reducing the financial risk of trying something new. Quite often giving a company who employs 4 to 6 people a small amount of financial assistance enables them to grow to employ 30 to 60 employees. One of the keys to the success of this type of program is being flexible on the type of projects that can be funded.

### *Forest Product Extension*

Currently, there are two positions in Forest Product Extension which benefit the industry and to help it grow. These positions need to be maintained in order to provide valuable education, publication and technical help to a major industry in Wisconsin. It should also be noted that the decline of the USDA Forest Service, Rural Development Program which has the Technology Transfer efforts contained in it will be a loss of valuable resource for this area that provide grant funds and technical support. Efforts on a national level to maintain or reestablish these efforts that support many of the programs in Wisconsin need to be made.

**VIII. The effect of state and local governmental laws and policy on forestry management and the location of markets for forest products.**

As with most, if not all, industries, forest industry is impacted in a myriad of ways, large and small, by state statutes, administrative codes, and policy decision making; along with local ordinances and policies.

Several beneficial steps have been taken in recent years by the executive and legislative branches of government, plus state agencies, to improve the business climate for forest products companies and help assure their competitive capabilities, within the context of (a) sustainable forest management, and (b) constraints imposed by a state budget deficit.

A partial, non-inclusive summary of these beneficial steps includes business tax improvements such as the change to single sales factor apportionment for corporate income tax, the exemption for sales and use tax on energy used in manufacturing, and small business tax reforms. Also welcomed by the forest products industry were environmental policy initiatives such as 2003 Wis. Act 118, the Job Creation Act, which includes many of the Governor's "Grow Wisconsin" proposals. Recognition by government of the need for regulatory permit streamlining, focusing on continuing environmental protection combined with regulatory process and procedural reforms, is applauded by the forest products industry. Another major step forward was certification of public forests in the state. Energy regulatory highlights include the Public Service Commission's approval of applications for major electric power plants and transmission additions and rebuilds responsive to the state's reliability concerns.

These steps resulted in the identification of "next step" and other actions that can help maintain the economic and environmental health of Wisconsin's forest products industry. Included in this category: increasing access to public and private fiber resources (which simultaneously improves forest health), assuring that the Managed Forest Law continues to be an effective program for private forest owners and managers, improvements in regulations and non-regulatory policies affecting the efficient and economical transportation (highway and rail) of wood fiber to manufacturing facilities, meaningful implementation and infusing of regulatory streamlining, and continued efforts to rebuild energy reliability in the state while maintaining energy affordability for all consumers.

*For further information see: Wisconsin's Forest Products Industry Business Climate Status Report 2004, Center for Technology Transfer and Wisconsin Economic Development Institute, Inc.; The State of Wisconsin's Paper Industry, Part I and Part II (2003), Wisconsin Paper Council.*

**IX. Recommendations as to staffing and funding needs for forestry programs and other conservation programs related to forestry that are conducted by the state to support and enhance the development of forest resources.**

The recommendations contained within this section are drawn from program studies completed by the Division of Forestry in which staffing and funding needs were identified. Since not all programs in the Division of Forestry have recently undergone a study, this list of recommendations is not comprehensive and does not address all the staffing and funding needs of the Division, nor other conservation programs that enhance the development of forest resources.

**COOP Fire Program**

A statewide review (study) of the co-op fire program was begun in 2000 and approved by the Forestry Policy Team in August 2001. In order to meet the needs of the COOP Fire Program identified in the review, a total of 10 FTE to serve as Regional Cooperative Fire Officers would be needed. Including operational support and one-time equipment purchases, a total of \$1.6 million in funding would be required to meet this initiative. This initiative would improve safety, training, incident support, equipment, communications, law enforcement, fire prevention and fire suppression in cooperative fire protection areas. This initiative would address important wildland urban interface issues facing communities throughout the state. The initiative establishes Regional Cooperative Forest Ranger positions, operational support and one-time equipment purchases to meet this critical unmet work need serving 13.7 million acres in 44 counties of Wisconsin.

The objective of Cooperative Fire Program is to facilitate and assist the needs of townships and fire department resources to better provide adequate forest fire protection to the citizens of the State of Wisconsin in cooperative fire protection areas. The successful restoration of the Cooperative Fire Program stresses supportive, long-term, mutually beneficial relationships with the local rural fire service.

The efforts with the local fire services will be designed to continually enhance their effectiveness in forest fire suppression and management. The most important initial activity will involve wildland fire suppression training. An improved and applicable version of the course "Introduction to Wildland Fire Fighting for Wisconsin Fire Departments" will be a sound, comprehensive beginning to this training effort. This program will be presented by the Cooperative Forest Rangers, and will focus on appropriate fire suppression tactics, safety, equipment usage, command structure, laws, authorities and forest fire fuels issues.

Having such training will help rural fire departments accomplish the National Fire Protection Association 1051 standards. This standard defines the national requirements for wildland firefighting. The accomplishment of this standard will facilitate the execution of a Memorandum of Understanding between the Department and each local fire department, similar to the arrangements in protective areas. Once that arrangement is in place, fire department access to federal and state grant funding will improve the fire suppression capabilities and equipment of coop departments. The Forest Fire Protection Grant (FFP) program we have now has done an excellent job of better equipping fire departments in DNR forest fire protection areas. However, part of the reason coop departments are not more effective in forest fire suppression, aside from training, is that they are ill equipped for that activity. Cooperative Forest Rangers will be involved in informing departments about grant availability, helping administer the grant programs, and provide encouragement to be involved.

Cooperative Forest Rangers would also support the Federal Excess Property Program (FEPP) and forest fire suppression vehicle related issues.

The relationships that will grow from involvement at this level will facilitate comprehensive reporting of forest fire occurrence, cause, size and damage information. This, in turn, will enhance Wisconsin's ability to access federal funding sources, and attract additional funding.

Cooperative Forest Rangers will also provide support and on-scene tactical advice for large wildland fires occurring in cooperative areas during fire season. Their expertise and availability during fire season will be similar to that of DNR forest rangers and wildland fire staff in DNR organized fire protection areas.

*For additional information see Cooperative Fire Program Report, August 2001*

### **Urban Forestry Program**

The mission of the DNR Forestry's urban forestry program is "To Encourage and Enable Sound Management of Wisconsin's Urban Forest Ecosystems." DNR urban forestry staff assist community officials, green industry professionals, businesses, schools, non-profit organizations, the general public and others who impact the resource to work together to expand, improve and manage the urban forest.

A statewide review of the Urban Forestry Program was begun in 1998 and approved by the Forestry Policy Team in December 2000. The study found that staffing in the highly populated areas of the state was insufficient to meet demand. The study also found that demand for cost-share grant funding exceeded available funds by 50% and it identified two major areas that the department was lacking – urban forest resource assessment and public awareness/marketing. As a result of the review, the department undertook two pilot studies of urban forest assessment with the USDA Forest Service to identify specific needs. To meet the existing and increasing demand for technical and financial service by local governments and nonprofit organizations, the study recommended increasing regional coordinator staffing by 2 FTEs and increasing central office grant and program staffing by 2 FTEs. It recommended increasing the grant appropriation to meet existing demand and recommended addressing lack of resource assessment and awareness. To meet staffing, grants and contracting needs for this initiative would require an annual total of \$675,000. This initiative would improve the ability to deliver, develop and coordinate public, private and nonprofit urban forest management services addressing the critical needs of environmental, social and economic vitality of communities throughout the state.

*For additional information see: Enhancing Wisconsin's Urban Forests -Assessment of Wisconsin's Urban Forestry Assistance Program. Urban Forestry Study Team. February 6, 2001. Available at: <http://dnr.wi.gov/org/land/forestry/UF/resources/UFStudyRpt.pdf>*

### **Information Technology (IT)**

The Information Technology (IT) strategic plan was completed in 2003 and is a tool used to guide the allocation of resources to IT within the Division of Forestry. The plan outlines IT business needs and future IT strategies to meet those business needs. IT is one of the largest emerging tools in sustainable forest management. It permeates every aspect of the forestry program from the first contact a landowner has with the Web site, through the myriad systems

that manage and provide access to forestry's information, to the desktop computer – now such a fundamental part of the daily life of nearly every forester.

Some of the technological changes facing forestry include:

- The increasing use of the Internet for access to data, as a mechanism to serve forestry applications and information to multiple users, and as an important tool for communication with internal staff and external partners.
- Better information, provided faster, to help staff and partners improve productivity and manage emergency situations.
- The ability of the computer to process and present information and simulations in new ways providing unique opportunities for the enhancement of forest management.
- Changes in the patterns and methods of collaboration across disciplines and in widely dispersed geographic locations make new demands on communication and information technologies.
- Data collection standards are increasing in use within the Department making information available to other programs.
- Staff resources are limited so success depends on simple tools and applications that will do the job along with adequate support at the field level.
- Geographic Information Systems (GIS) are replacing manual means of managing and integrating maps and descriptive data.

The Division of Forestry has attempted through the biennial budget process, with limited success, to fund \$1.15 million of unmet need in the IT program.

### **Forestry Communication and Education**

The Statewide Forestry Communication and Education Strategic Plan was approved by the Forestry Policy Team in April 2002. The overall strategic goal of the plan is to increase Wisconsin public's appreciation for the role that forests play in our state and in our lives. The plan focuses on five phases over a five year period. Forestry Communications and Education has had some notable accomplishments over the plan period including the inception of the K-12 LEAF Program (Learning, Experiences, & Activities in Forestry) and the 2004 Year of Forestry in Wisconsin.

Despite some success, there still exists an unmet need of \$1 million for implementation of the strategic plan. In addition there is a need for 4 FTE naturalists and 6 LTE seasonal naturalists on the northern state forests to help spread the statewide forestry message.

In addition to strategic plan needs, there is also a need of \$1.5 million dollars annually to fund the Forestry Education and Awareness Center to be located on the Milwaukee County Grounds in Wauwatosa, WI. The Center would be used to bridge the gap for urban residents who do not recognize the ecological, social, and economic value of forests in Wisconsin. Funding would initially support program management, partnership building, fund-raising, and early stage program and exhibit design. Ultimately ongoing funding would provide partial funding for ongoing programming, staffing, exhibit development, property and facility maintenance, and supplies and services. The balance of operating costs will be raised by leadership partners and revenues.

### **Other Forestry Programs**

The Forestry Leadership Team has directed three other programs within the Division of Forestry; Law Enforcement, Forest Health, and Training to undertake program reviews. While these program reviews vary in specific purpose and scope of their reviews, they all basically look at the future needs of their individual programs. The Law Enforcement Study is expected to be completed in the fall of 2005. Phase 1 of the Forest Health Program study will evaluate the current forest health program and Phase 2 will examine the threats presented by invasive non-native plants and how they may impact our overall mission of sustaining forest resources of the state. Both phases are scheduled to be completed in 2005. The Training Program study is expected to be completed in January 2006.

**X. Recommendations as to the need to increase the public’s knowledge and awareness of forestry issues.**

Following is an overview of existing forestry communication and education programs in Wisconsin. While the current efforts outlined below represent outstanding efforts to share forestry information and reconnect students, residents and visitors with the forest resource, all of them are under funded. See Section VIII for recommendations to help ease the funding challenges these programs face.

Wisconsin DNR conducted a social research study in 2000 to determine Wisconsin residents’ perceptions and attitudes towards their forests, including their understanding of and concern for environmental and forestry issues and their views on forest dependency and management.

Results of this survey indicated a shared concern among respondents for Wisconsin’s forests, and a belief that forests primarily serve as contributors to the environment. Forests were far more recognized for their environmental importance than their importance to the economy, or as a means for jobs and income. The survey indicated that many respondents are not well educated about forestry issues. Many respondents express a concern that the use of trees today jeopardizes their future availability.

According to the survey, the public is open to increased government involvement in forest management and believes that forests should be protected through human efforts. Given this belief, and the trust that the public shares in the DNR as a source of information on environmental issues, the research analysis concluded that DNR is in an excellent position to, through a comprehensive strategy, educate the public about forests and sustainable forestry concepts.

A cross-tabulation of the data between Milwaukee and the other counties was also conducted as the original focus group research had shown a marked difference in the level of awareness between Milwaukee residents and the rest of the state. Both research efforts emphasized the need for extra effort to help residents in the Greater Milwaukee area connect with the forest resource and its statewide importance.

**Milwaukee Forestry Center**

Because many people living in Southeastern Wisconsin depend upon and benefit from forests in ways they do not understand, the Wisconsin DNR – Division of Forestry is forming a coalition of partners to develop a Forestry Education Center in Milwaukee County. This center will focus on delivering the win-win message of sustainable forest management to this population that shows the lowest level of connection with our forests and lowest level of appreciation for the key role that forests play in the economy of the area and in our daily lives.

Over the past year DNR has arranged the purchase of a site from Milwaukee County that includes about 60 acres of forest plus an open space to build the proposed Forestry Center. This site (located on the Milwaukee County Grounds) provides a unique opportunity to provide a demonstration forest right in the heart of the largest urban population in Wisconsin.

The vision for this proposed facility and the associated woodlands is to reach learners of all ages with the sustainable forestry message. An important focus of the Forestry Center will be groups of school children, but it will combine K-12 educational needs with attractions to draw residents of all ages from all walks of life. An educational needs assessment and a market analysis conducted by the Division of Forestry have documented the educational and recreational niches available for the Center. These studies will provide valuable information for planning a successful Center.

### **Five-year strategic communication and education plan**

Conclusions drawn from the analysis of the 2000 survey described above helped shape a strategic communications and education plan to raise the level of awareness about Wisconsin's valuable forest resource. The five-year plan targets those in a position to influence the well-being of Wisconsin's forests, including key decision-makers, forest landowners and the general public. Development and implementation of the strategic plan is a partnership effort among groups holding a vested interest in the sustainable use of Wisconsin's forests. A coordinated public outreach effort as outlined in the five-year plan is critical to the future sustainability of Wisconsin's forest resource. Unfortunately, this effort is not adequately funded through the state budget or through partnerships. As discussed in the previous section, a true public awareness campaign would require an ongoing budget of about \$1 million per year over a prolonged period to be successful.

*For more information see: Wisconsin Statewide Forestry Communication and Education Strategic Plan - A Partnership Benefiting Wisconsin's Forests.*

### **Year of Wisconsin Forestry**

The first year of implementing this strategic plan was 2004 and Governor Doyle declared that as the "Year of Wisconsin Forestry" to recognize 100 years of professional forestry in Wisconsin.

Throughout the year, many activities around the state introduced Wisconsin residents to the sustainable management of today's forests. Additionally, the following are a sample of statewide projects that celebrated the importance of the forest resource to Wisconsin historically, today and into the future:

- A Year of Wisconsin Forestry kick-off ceremony at the State Capitol featured state officials and representatives of partner groups. The first class of Master Loggers was introduced as well, ushering in a new era of increased professionalism in Wisconsin's loggers.
- Wisconsin Arborist Association showcased their 40<sup>th</sup> anniversary on Arbor Day 2004 when they, along with the Wisconsin Nursery Association and others, planted a tree on the State Capitol grounds.
- Wisconsin Woodland Owners Association (WWOA) celebrated their 25<sup>th</sup> anniversary by sponsoring an "Open Woods" event on May 15, 2004 when a member landowner in each county invited the public in to learn about the management of the 57% of Wisconsin forests that are owned by individuals and families. WWOA also produced a book called "One Hundred Years of Wisconsin Forestry" that chronicles the history of Wisconsin forests.

- Wisconsin Society of American Foresters marked their 85<sup>th</sup> anniversary in 2004 by offering Girl Scouts throughout Wisconsin the opportunity to earn a special forestry anniversary patch by completing designated forestry education activities.
- As part of their 60<sup>th</sup> anniversary in 2004, Trees For Tomorrow produced a children's picture book called "In Grandpa's Woods" and donated copies to every elementary school library and public library in Wisconsin.
- The 50<sup>th</sup> anniversary celebration of the Wisconsin Christmas Tree Producers Association included partnering with DNR on the holiday tree celebration at the State Capitol in December 2004.
- The School Forest program, which started in 1928 and has grown to 400 forests in 67 counties today, worked with the Department of Public Instruction to provide Wisconsin's public libraries with forestry materials for their 2004 summer reading program.
- Wisconsin Environmental Education Board provided partial funding for a 4<sup>th</sup>-grade book called "Wisconsin Forest Tales" produced by Wisconsin DNR – Division of Forestry. This book and associated resource materials has become a valued tool to help teach Wisconsin history in classrooms across the state.

This special year of anniversaries and celebrations provided opportunities to share key messages about sustainable forestry with many thousands of Wisconsin residents and visitors.

### **Other Wisconsin forestry education initiatives**

#### LEAF (Learning, Experiences and Activities in Forestry)

The mission of the Wisconsin K-12 Forestry Education Program – known as LEAF (Learning, Experiences and Activities in Forestry) – is to initiate and facilitate the development, dissemination, implementation and evaluation of forestry education in Wisconsin schools.

Since its inception in 2002, the LEAF program has made tremendous progress in documenting forestry concepts that Wisconsin K-12 students should learn, developing a "Wisconsinized" K-12 forestry education lesson guide and providing teachers professional development in forestry education. This curriculum utilizes a unit-based approach with lessons building upon one another to provide connectivity in the student's educational experience.

The LEAF program also offers a variety of workshops, specialty programs and credit courses for educators, including the keystone course that is the primary means by which the LEAF lesson guide is distributed.

Wisconsin's long and proud tradition of school forests has also become part of the LEAF program. With the hiring of a full-time coordinator for the school forest program, LEAF is building this important program and adding to the network of school forests that began with the nation's first school forests at Laona, Wabeno and Crandon in 1928.

The LEAF program has also focused on building partnerships with forest landowner, forest managers, nature centers and other organizations to support forestry education goals. Visit the LEAF Website ([www.uwsp.edu/cnr/leaf](http://www.uwsp.edu/cnr/leaf)) to learn more about the impressive accomplishments of this young program.

### Wisconsin Environmental Education Board

Wisconsin Environmental Education Board (WEEB) grants are a keystone to forestry education efforts in Wisconsin. Since 1998, \$200,000 from the forestry account has annually gone to WEEB to fund forestry education projects at a grassroots level. Several years ago, an additional annual allotment of \$200,000 was earmarked from the forestry account for WEEB to specifically fund forestry education projects on Wisconsin's school forests. These general forestry and school forest grants support forestry education locally throughout the state.

### Basin Education Program

The Basin Education Program was established to design and provide educational programs and other services in areas delineated by the state's major river basins. At the core of this effort is a network of educators whose task is to encourage local partnerships and provide educational and technical support to stakeholders.

Four of these 15 statewide educators are funded by the state's forestry program and focus on forestry concerns. The main target audiences for their forestry education efforts are non-industrial private forest landowners and forestry professionals (loggers and foresters). The goals are to help these groups become informed decision makers and manage forests in a responsible manner.

During the past year, the forestry-related basin educational programs emphasized general forest management for woodland owners, special programs targeting landowners involved in the Managed Forest Law program who have fallen behind in their practices, working with communities in the fire-prone regions of the state and issues related to forest health.

*For more information about Wisconsin's Basin Education Program, visit <http://www.basineducation.uwex.edu/>*

### Wisconsin Forest Resource Education Alliance

Wisconsin Forest Resource Education Alliance is a partnership among a broad array of forestry interests dedicated to enhancing public understanding of sustainable forestry. They have produced an educational CD-ROM packet called "Wisconsin Forests Forever" as well as a series of short educational videos that have aired on public broadcasting stations. This organization has also coordinated successful tours to introduce classroom teachers to sustainable forest management in Wisconsin.

*For additional information about Wisconsin Forest Resource Education Alliance visit: <http://www.wfrea.org/>*

### Naturalists

Naturalists play an important role in helping residents and visitors better understand our natural resources. In particular, the northern State Forests offer an untapped goldmine of opportunities to reconnect people with Wisconsin's forests. The Northern Highland-American Legion State Forest alone has over two million visitors annually.

### Other forestry education

Wisconsin also has a rich network of nature centers that help connect residents with our forests and other natural resources. Two organizations in particular focus on forestry education – Trees For Tomorrow in Eagle River and Seno Woodland Education Center near Burlington.

Trees For Tomorrow (TFT) is an independent, nonprofit natural resource specialty school which uses a combination of field studies and classroom presentations to teach conservation values as well as demonstrate the benefits of contemporary resource management.

The Seno Woodland Education Center is 131 acres of forest, fields, prairie and wetlands located in southeast Wisconsin's rolling kettle moraine country. The Wisconsin Woodland Owners Association Foundation manages the property to 1) provide educational opportunities for educators, students, landowners and the general public, and, 2) demonstrate sustainable management of forest and related resources.

### **CHAIR'S FINAL THOUGHTS**

I am pleased with the work of the Council since its formation two years ago. A lot of important work has been accomplished. However, much more needs to be done to ensure that our forests continue to provide the full range of benefits to future citizens of Wisconsin.

The Council has taken on a number of issues that reflect both challenges and opportunities facing Wisconsin's forests. I am optimistic about what we can accomplish because of the commitment I see from the breadth of interests who have demonstrated a willingness to work on issues affecting our forests. Although many of the issues appear to be overwhelming, the resolve of those involved is quite impressive.

**Appendix A** - Wisconsin State Forests Acres in Forest Certification Programs

**Certificates Awarded May 4, 2004**

<b>Property Name</b>	<b>Dual FSC/SFI</b>
American Legion	54,604.96
Black River	67,829.54
Brule River	40,888.32
Coulee Experimental	2,972.10
Flambeau River	90,281.97
Governor Knowles	19,909.74
Kettle Moraine - Northern Unit	29,275.24
Kettle Moraine - Southern Unit	23,710.48
Northern Highlands	168,690.67
Peshtigo River	5,872.95
Point Beach	2,902.59
<b>State Forest - Total Certified Acres</b>	<b>506,938.56</b>

**Appendix B - Wisconsin County Forest Acres**

**Certificates Awarded March 18, 2005**

	<b>County Forest Total</b>	<b>SFI only</b>	<b>FSC only</b>	<b>Dual FSC/SFI</b>
Ashland	40,003	0	0	40,003
Barron	15,827	0	0	15,827
Bayfield	169,047	169,047	0	0
Burnett	106,429	106,429	0	0
Chippewa	33,107	0	33,107	0
Clark	132,852	0	132,852	0
Douglas	269,794	269,794	0	0
Eau Claire	52,278	0	0	52,278
Florence	36,390	0	0	36,390
Forest	10,848	0	0	10,848
Iron	174,321	0	0	174,321
Jackson	120,887	0	0	120,887
Juneau	15,146	0	0	15,146
Langlade	127,109	127,109	0	0
Lincoln	100,703	100,703	0	0
Marathon	28,661	28,661	0	0
Marinette	231,220	231,220	0	0
Oconto	43,515	0	0	43,515
Oneida	82,311	82,311	0	0
Polk	17,108	17,108	0	0
Price	92,118	0	0	92,118
Rusk	89,042	89,042	0	0
Sawyer	113,851	0	0	113,851
Taylor	17,566	0	0	17,566
Vilas	40,860	40,860	0	0
Washburn	149,015	0	0	149,015
Wood	37,554	0	0	37,554
<b>Total Acres</b>	<b>2,347,562</b>	<b>1,262,284</b>	<b>165,959</b>	<b>919,319</b>

**Appendix C - Wisconsin Managed Forest Law Certified Group**

**American Tree Farm Certification Scheduled for June 2005**

<b>County</b>	<b>Acres</b>	<b>County</b>	<b>Acres</b>
Adams	54,697.16	Manitowoc	15,320.34
Ashland	27,419.63	Marathon	73,504.52
Barron	31,285.46	Marinette	74,957.11
Bayfield	40,704.18	Marquette	14,705.47
Brown	3,787.12	Menominee	516.75
Buffalo	58,218.42	Milwaukee	0.00
Burnett	19,706.43	Monroe	34,570.89
Calumet	3,572.27	Oconto	41,242.93
Chippewa	19,229.22	Oneida	49,329.10
Clark	39,950.76	Outagamie	16,540.22
Columbia	13,170.49	Ozaukee	1,753.83
Crawford	31,467.00	Pepin	17,693.24
Dane	16,246.83	Pierce	24,893.43
Dodge	3,477.67	Polk	29,842.62
Door	23,020.38	Portage	37,554.54
Douglas	22,842.38	Price	59,753.53
Dunn	43,877.68	Racine	1,296.66
Eau Claire	23,593.60	Richland	51,269.57
Florence	27,493.08	Rock	5,592.66
Fond du Lac	3,944.85	Rusk	44,634.65
Forest	36,610.60	Saint Croix	13,886.00
Grant	18,002.07	Sauk	32,978.86
Green	6,198.00	Sawyer	36,392.01
Green Lake	2,004.55	Shawano	62,985.57
Iowa	40,453.83	Sheboygan	9,558.46
Iron	34,212.07	Taylor	39,969.74
Jackson	30,638.47	Trempealeau	36,264.64
Jefferson	5,577.67	Vernon	48,990.93
Juneau	34,245.35	Vilas	32,967.33
Kenosha	546.33	Walworth	2,452.83
Kewaunee	8,552.77	Washburn	36,674.36
LaCrosse	16,904.43	Washington	6,072.66
Lafayette	5,881.97	Waukesha	2,414.47
Langlade	64,090.16	Waupaca	58,496.00
Lincoln	92,780.40	Waushara	39,334.15
<b>MFL Potential Tree Farm Certified Acres*</b>		<b>1,990,658.10</b>	
* The MFL Certified Group does not include forest industry lands.			

## **Appendix D** - Champions and Leadership Teams

### **1. Conserving Wisconsin's Biological Diversity**

Champion: Mary Jean Huston, WI Director, The Nature Conservancy

Facilitator: Peggy Compton, UW Basin Educator

Leadership Team

- Cheryl Adams, UPM Blandin
- John Bates , Author and Naturalist
- Karen Danielsen, Great Lakes Indian Fish and Wildlife Commission
- Karen Etter Hale, Madison Audubon Society
- Todd Holschbach, The Nature Conservancy
- Signe Holtz, WDNR, Endangered Resources
- David Mladenoff, UW - Madison, Department of Forest Ecology & Management
- Eunice Padley, WDNR, Division of Forestry
- Harry Parrott, Tetra Tech EM, Inc.
- Paul West, The Nature Conservancy
- Jake Vander Zanden, UW - Madison, Limnology Department.

### **2. Minimizing the Threat of Invasive Exotic Species to Wisconsin's Forests**

Champion: Fred Clark, President, Clark Forestry

Facilitator: John Exo, UW Basin Educator

Leadership Team

- Nancy Berlin, USDA Forest Service
- Dan Bohlin
- Jane Cummings-Carlson, WDNR, Division of Forestry
- Miles Falck, Great Lakes Indian Fish & Wildlife Commission
- Peter Murray, Governor's Council on Invasives
- Dan Peterson
- Gene Roark, Wisconsin Woodland Owners Association & Private Woodland Owner
- Becky Sapper, The Nature Conservancy

### **3. Enhancing Assistance to Wisconsin's Private Forest Landowners**

Champion: John DuPlissis, Professor UW-Stevens Point

Facilitator: Darren Lochner, UW Basin Educator

Leadership Team:

- Nancy Bozek, Wisconsin Woodland Owners Association
- Chuck Brooks, Brooks & Christie Forestry Consultants
- Gene Francisco, Wisconsin Professional Loggers Association
- Warren Gaskill, Sustainable Woods Network
- Cate Harrington, The Nature Conservancy
- Buddy Huffacker, Aldo Leopold Foundation
- Al Koeppel, Kretz Lumber
- Mr. Peter Manley, Wood County UW-Extension
- Gerry Mich, Wisconsin Family Forests
- Patricia Murphy, WDNR, Division of Forestry
- Bryan Pierce, Northwoods Land Trust
- Paul Pingrey, WDNR, Division of Forestry
- John Pingry, USDA Natural Resource Conservation Service
- Juris Repsa, Domtar Industries
- Bob Rogers UW-Stevens Point
- Geary Searfoss, Wisconsin Forest Productivity Council

4. **Maintaining Wisconsin's Forest Based Economy**

Champion: Brent English, Director, Commercialization & Grants Center for Technology Transfer Inc.

Facilitator: John Haack, UW Basin Educator

Leadership Team:

- Masood Akhtar, Center for Technology Transfer, Inc.
- Scott A. Bowe, PhD, UW-Madison, Dept. of Forest Ecology & Management
- John Koning, Jr. UW-Madison, Dept. of Engineering
- Terry Mace, WDNR, Division of Forestry
- Theodore H. Wegner, USDA Forest Service, Forest Products Laboratory

5. **Enhancing Wisconsin's Urban Forests**

Champion: Joe Wilson, Executive Director Greening Milwaukee

Facilitator: Matt Duvall, UW Basin Educator

Leadership Team:

- Jeff Edgar, Wisconsin Landscape Federation
- Jeff Gorman, Wisconsin Parks and Recreation Association
- David Liska, City of Waukesha
- Heather Mann, Urban Open Space Foundation
- Ken Ottman, International Society of Arboriculture
- Dick Rideout, WDNR, Division of Forestry
- Les Werner, UW-Steven's Point

6. **Minimizing Recreational Use Conflicts in Wisconsin's Forests**

Champion: Dave Marcouiller, Professor UW-Madison

Facilitator: Debbie Beyer, UW Basin Educator

Leadership Team:

- Steve Guthrie, Tomahawk Timberlands
- Rob McDonald, Wisconsin ATV Association
- Tim Miller, WDNR, Bureau of Parks & Recreation, Public Forest Resource Group
- Eric Olson, UW-Stevens Point
- Joel Patenaude, Silent Sports Magazine
- Jeffrey Prey, WDNR, Bureau of Parks and Recreation
- Paul Sandgren, WDNR, Kettle Moraine State Park
- Angie Tornes, National Park Service

7. **Managing the Impacts of Changes in Wisconsin's Land Use and Forest Ownership**

Champion: Lisa MacKinnon, Policy Director, 1000 Friends of WI

Facilitator: Suzanne Wade, UW Basin Educator

Leadership Team:

- Jolene Ackermann, WDNR, Division of Forestry
- Matt Dallman, The Nature Conservancy
- Bill DeReu, Plum Creek Timber
- Pam Felt, Gathering Waters Conservancy
- Shaun Hamilton, Trust for Public Lands
- Harold Jordahl, Private Woodland Owner
- Al Koepfel, Kretz Lumber Company
- Lynn Markham, UW-Stevens Point, Center for Land Use Education
- Colette Mathews, Wisconsin County Forests Association
- Bryan Pierce, Northwoods Land Trust
- Teague Prichard, WDNR, Division of Forestry
- Volker Radeloff, UW-Madison, Department of Forest Ecology & Management
- Mark Rickenbach, UW-Madison, Department of Forest Ecology & Management
- Gene Roark, Wisconsin Woodland Owners Association & Private Woodland Owner
- Fred Souba, Stora Enso
- William Wengeler, Lincoln County Forest Administrator

**The Managed Forest Law Property Tax Program**

Carol Nielsen and Stefan A. Bergmann

The Managed Forest Law (MFL) program can ease the property tax burden for Wisconsin forestland owners who wish to manage their woodlands. The MFL program is intended to foster timber production on private forests, while recognizing other values. MFL participants pay property taxes at a reduced rate. A portion of the foregone taxes is recouped by the state at the time the timber is harvested. The Wisconsin Department of Revenue estimates MFL program participants can reduce their property tax an average of 80% after paying harvest taxes. The MFL program can be a good deal for some landowners, but is it a good deal for you?

Conditions

The MFL program is open to all private landowners with at least 10 acres of woods or forestland that meet three requirements:

1. 80% of the land must be productive forestland capable of producing wood products (can grow at least 20 cubic feet of wood per acre per year).
2. Forests must cover 80% of the land. A forest is an area currently forested or will soon be regenerated to forests.
3. The minimum average width of the enrolled land is no less than 120 feet.

If you decide to enroll some or all of your land in the MFL program, you must choose a contract period of either 25 or 50 years. If you decide to withdraw land from the program before the contract period ends, you will be required to pay a penalty. There is no penalty if you choose not to renew at the expiration of the contract. If you sell or otherwise transfer the enrolled land prior to the end of the contract period, the new owner must either continue the current MFL contract or withdraw from the program and pay the penalties.

Forest Management Plan

Participation in the MFL program requires an approved, written forest management plan and an application fee of \$300. The plan may be

To enroll in the MFL program, your completed application must be **postmarked by July 1<sup>st</sup>** with the entry effective 18 months later. For example, applications postmarked on or before July 1, 2005 are processed in 2005/06 for an effective date of January 1, 2007. The tax benefits would first appear on your 2007 tax bill, which is received in December of 2007.

prepared by either a private plan writer certified

by the Department of Natural Resources (DNR) or a local DNR forester. The plan must be based on sustainable forest management practices, and a DNR service forester must approve it.

In writing the plan, it is important to remember that the MFL program is primarily focused on timber production. The expectation is that you will manage your land to meet that objective, with other objectives secondary, such as wildlife enhancement or recreation. Many forest values are compatible, but if a conflict arises, the law requires deference to timber production.

The plan must also outline both mandatory and recommended management practices. For example, tree planting or timber harvesting may be required, while some thinning treatments may be optional. To stay in the MFL program, you must at a minimum complete the mandatory practices. The MFL program also forbids livestock grazing on enrolled forestlands.

Property Tax and Public Access

To get the lowest annual property tax rate, you must allow the public to access your land. Access on these “open” lands is only for hunting, fishing, hiking, sightseeing, and cross-country skiing.

You may choose to “close” your land to public access. However, there are limits to the number of acres per municipality (city, town, or village) that you may designate as closed, depending on when your land is enrolled in the program. The tax rates on “closed” land are higher.

- For lands enrolled in **1987 through 2004**, you may close to public access up to 80 acres per municipality.
- If you enroll lands in **2005 or later**, you may close to public access a maximum of 160 acres per municipality.
- If you have lands enrolled under **both time periods**, you are limited to closing 160 acres to public access, of which no more than 80 acres may be lands enrolled in 1987 through 2004.

All MFL program participants can restrict access without charge to areas that are within 300 feet of any building or harvesting operation. Snowmobiles and other motorized vehicles can also be prohibited on enrolled lands that are otherwise open to the public.

#### **Current MFL Program Annual Property Tax Rates**

##### *1987 – 2004 Entries*

“Open” enrolled lands..... \$0.83 per acre

“Closed” enrolled lands ..... \$1.95 per acre

##### *2005 and Later Entries*

“Open” enrolled lands..... \$1.46 per acre

“Closed” enrolled lands ..... \$7.28 per acre

Note: All rates will be recalculated in 2008 and every 5<sup>th</sup> year thereafter.

Participants must allow periodic field inspections by DNR foresters.

#### Timber Harvests and Yield Tax

MFL program participants must follow the approved management plan and pay a 5% yield tax on timber harvested. Participants are also required to file a cutting notice with the DNR prior to harvesting timber. Failure to do so can result in a fine of up to \$1,000.

After a timber harvest, landowners must file a cutting report with the DNR that accurately details the volume of the timber removed. This report forms the basis for calculating the 5% yield tax.

Many people assume that the yield tax is based on the dollar amount, or stumpage price, they receive for their timber. **This is NOT true!** The yield tax is based on the volume you harvest and the average stumpage prices for similar logs or wood in your area as calculated annually by the DNR. These average stumpage prices may or

may not reflect what you actually receive from your sale. Most lands enrolled in the program in 2005 or later are exempt from yield tax during the first 5 years, but landowners must still file the cutting notice and report for timber harvested.

In addition, you will need to complete any post-harvest activities as required by the management plan. These might include retiring skid trails, seeding the landing, or controlling runoff.

#### Professional Assistance

Either a private forester who has been certified by the DNR to write plans or a local DNR forester can assist you in developing your MFL management plan. This individual can help you define your land management objectives and plan for the future of your land. Foresters certified to write plans in Wisconsin are familiar with the MFL program and can ensure that your plan meets its requirements.

#### A Good Deal?

The primary benefits of the MFL program for the landowner are reduced annual property taxes and tax deferral. You also receive the benefit of a professional forester’s advice in crafting the management plan.

For some landowners, potential drawbacks of the program may be the public access incentive and the emphasis on timber production. In addition, if you choose to have a private forester develop your management plan, there may be a fee for that service.

If you are interested in participating in the MFL program, consider discussing the pros and cons with a neighbor or friend who is enrolled in the program. In addition, the DNR service forester in your county can explain the technical details and help you weigh your options. A public or private forester can also provide practical advice based on his or her experience with other landowners and the MFL program.

If you decide that the MFL program makes sense for you, the next step is to obtain an application form from your local DNR office. You may also download the forms and instructions on the Internet at:

<http://dnr.wi.gov/org/land/forestry/ftax/forms.htm>

*About the Authors: Carol Nielsen is Forest Tax Program Manager, Bureau of Land Management, Wisconsin Department of Natural Resources, and Stefan A. Bergmann is Associate Outreach Specialist, Department of Forest Ecology and Management, University of Wisconsin-Madison.*

Appendix F – Grant Accomplishments

**Wisconsin Forest Landowner Grant Program**

**How much:**

Wisconsin gets an annual allotment of 1.25 million for this state run cost share program.

**Forestry Practices funded in 2004:**

Funded 23 stewardship plans and revisions

(+\$20,285)

Funded 429 Site preparations (+\$393,832)

Funded 468 tree plantings (+\$619,880)

Funded 16 shrub plantings (+\$7,841)

Funded 8 fencing practices (+\$9,693)

Funded 333 undesirable species control

(+\$335,342)

Funded tree shelters for 15 landowners

(+\$11,557)

Funded 49 pruning projects (+\$68,375)

Funded 148 crop tree release's (+\$214,522)

Funded 2 vine removal (+\$1,930)

Funded 1 road layout and design (+\$132)

Funded 8 erosion control measures (+\$2,964)

Funded 24 native grass establishments

(+\$13,803)

Funded 5 diversions (+\$5,380)

Funded 5 wetland restorations (+\$11,030)

Funded 1 streambank stabilization (+\$5,200)

Funded 12 wetland creation/enlargements (+\$

41,024)

Funded 12 wildlife openings (+\$24,642)

Funded 1 nesting boxes (+\$250)

Funded 9 direct seedlings (+\$5,033)

Funded 2 removals insect and disease control

(+\$715)

**Forest Lands Enhancement Program**

**How much:**

Wisconsin was awarded \$507,000 from USFS as part of a 2003 grant. Landowners were awarded \$469,809.

**Forestry Practices funded in 2004:**

Funded 9 stewardship plans

Funded 288 tree plantings (+\$335,500)

Funded 49 non commercial timber stand improvement practices(+\$65,500)

Funded 6 soil and water protection practices (+\$3,100)

Funded 4 wetland and riparian protection practices (+\$19,500.00)

Funded 22 Fish and wildlife practices (+\$19,500)

Funded 3 Threatened and endangered species protection practices (+\$2,600)

**Environmental Quality Incentive Program**

**Forestry Practices funded in 2004:**

Funded 316 brush management practices

Funded 584 site preparations

Funded 424 forest stand improvements

Funded 609 tree plantings

Funded 20 trails and road practices

Funded 16 prunings

**Conservation Reserve Enhancement Program**

**Forestry Practices Funded in 2004:**

Funded 6,422 acres of riparian buffers