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Managed Forest Law (MFL) Public Hearing Assembly Bill 700

Assembly Committee on Environment and Forestry

Wisconsin Council on Forestry Henry Schienebeck, Chair Testimony by: Jane Severt, Vice Chair and Tom Hittle, MFL Committee Chair February 4, 2014

Good day. My name is Jane Severt, Vice Chair of Wisconsin's Council on Forestry. Accompanying me today is Tom Hittle, Chair of Wisconsin Council on Forestry's Managed Forest Law (MFL) Committee. We appreciate this opportunity to appear before you and offer comments on behalf of the Wisconsin Council on Forestry regarding the proposed Managed Forest Law revisions.

The Council firmly believes efforts to maintain the MFL are critical to the continued sound stewardship of Wisconsin's private forestlands and the economic strength of the State's forest industry.

Of Wisconsin's nearly 17 million acres of forest, 60 percent is privately owned. Individuals and families, numbering in the range of 360,000, own the majority of this acreage. Among these privately owned lands, over 3 million acres are enrolled in the MFL. Wisconsin's privately owned woodlands play an important role in supporting Wisconsin's timber industry; a vital economic sector that produces products valued at over \$20 billion and is the number one employer in 23 Wisconsin Counties. Approximately two-thirds of the wood harvested in Wisconsin and utilized by the forest industry comes from privately owned forestlands.

Since 1927, with the inception of the MFL's predecessor the Forest Tax Law, Wisconsin has relied on property tax incentives to promote sustainable forest management and timber production on private forest lands. The MFL has been enhanced from the earlier law to further recognize the objectives of individual property owners, compatible recreational uses, watershed protection, development of wildlife habitat, and the accessibility of private property to the public for recreational purposes.

One of the Council's top priorities has been to help assure the MFL remains a viable program to achieve all of these benefits.

After diligent council and subcommittee efforts, a final report was generated this past June containing a number of recommended MFL revisions. This effort and report formed the foundation for the proposed legislation being addressed here today as Assembly Bill 700. The Council's intent for the proposed revisions focused on a few key criteria, including:

- Reducing MFL DNR administration costs and law complexity
- Maintaining public, local government, and landowner support for the MFL
- Supporting continued MFL functionality relative to core MFL purposes as defined by Statute
- Encouraging continued enrollment and re-enrollment of forest lands
- Addressing concerns of MFL forest land owners and stakeholders

We have reviewed the draft legislation and have found that it closely follows the revisions recommended as a result of the Council's efforts. To the best of our knowledge it differs only slightly in the following areas:

The Council's recommendations contained an exemption for large properties from having to ensure public access (Section 50) given the inherent possibility that over large acreages managed for timber production a small amount of land may have limited access suitable primarily to forest management activities. This exception takes into account the large acreage of publically accessible lands associated with these large properties and the revision (Section 48) that excludes large properties from the repeal of the prohibition on leasing. We believe this exemption recommendation is not contained within the draft bill and respectfully suggest it be added.

The proposed legislation also includes a specific definition for a "large property" (Section 15) which would eliminate some of the established MFL treatments of this type of property we believe have historically worked well for the department and the landowner. A refinement of the definition of a large property was not analyzed by the Council as to possible consequences and we respectfully ask that this definition be modified to allow for a determination of large property status suitable to the department and landowner subject to the specific property and landowner objectives.

The Council revisions included recommendations for developing an electronic process which would allow for increased efficiencies and better communication with landowners on their forest management plans. It has been communicated to the Council by the department that this can be accomplished without law revisions.

We also ask for confirmation that Section 104 allows for the voluntary withdrawal of a part of a parcel for the purpose of building a human residence, consistent with the intent of the recommendation made by the Council.

And finally, with respect to the majority of the revisions, there is the question as to if these changes are meant to be effective for lands already enrolled under the MFL or only for new enrollments following passage of this legislation. Again, we respectfully would suggest that this be clarified for the revisions where applicable.

Overall, we are very pleased that the draft bill has remained true to the intent of the recommendations generated by the Council on Forestry. We believe that the package of revisions contains a reasonable balance of outcomes across the various stakeholders.

We believe implementing this legislation will achieve the objectives sought by the Council including streamlining the MFL for administrative efficiencies and promoting a continued, viable MFL program attractive to forest land owners and supportable by all stakeholders and the citizens of Wisconsin. Wisconsin's Council on Forestry has worked diligently to ensure a balance of all interests remains intact in Wisconsin's MFL program and the program remains viable and beneficial to Wisconsin taxpayers.

We ask you to support this proposed legislation. Because of the importance of Wisconsin's forests to our economy, environment, and quality of life it's imperative we serve the interests of the people of Wisconsin through carefully maintained forest-based incentives such as the Managed Forest Law.

Thank you for the opportunity to offer these comments on behalf of the Wisconsin Council on Forestry.

Henry Schienebeck

Henry Schienebeck, Chair

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Tom Hittle, MFL Committee Chair