

WI Council on Forestry

The Managed Forest Law (MFL) --

a Review of The Council's 2013 Potential Program Revisions

Presented By:

Tom Hittle,

Chair, MFL Committee, Wisconsin Council on Forestry

November 13, 2014 -- Wausau, WI



Overview

2013 MFL Revisions **Review**

- ❖ Informational
- ❖ Revisions with General Consensus
- ❖ Revisions Subject to Further Review
- ❖ Revisions Details (from earlier efforts)



Revisions with General Consensus

- Proposed Revision 2: Reduce/restructure withdrawal taxes and fees
 - NOTE: The CoF concluded that determining a reasonable maximum number of years to be used to calculate withdrawal tax will require further analysis in order for it to be appropriate to encourage continued MFL participation of enrolled lands along with new enrollments.
- Proposed Revision 3: Change the procedure to allow counties to generate and collect financial transactions for MFL yield and withdrawal taxes
- Proposed Revision 4: Eliminate the 5% yield tax comparison requirement for determining withdrawal taxes
- Proposed Revision 5: Allow small acreage withdrawals without full description withdrawal
 - Effective July 2, 2013, 2013 Wisconsin Act 20 allows landowners who enrolled lands under the Managed Forest Law (MFL) before October 11, 1997, to withdraw one to three or more acres of land in each parcel of land for the purpose of building a human residence on MFL lands.



Revisions with General Consensus (continued)

- Proposed Revision 6: Allow the sale or transfer of a portion of a MFL legal description without having to withdraw the entire legal description prior to ownership transfer
- Proposed Revision 7: Allow lands to remain in MFL, or allow exempt withdrawal, if natural events cause lands to no longer meet productivity requirements
- Proposed Revision 8: Allow exempt withdrawal of limited unproductive acreage, if splits in ownership cause lands to no longer meet productivity requirements
- Proposed Revision 9: Increase minimum acreage entry size allowed
 - Note: The CoF agreed to move this issue forward with recognition that further analysis may be warranted to examine impacts in certain areas of Wisconsin where small woodlots are prevalent and important to maintain.



Revisions with General Consensus (continued)

- Proposed Revision 10: Allow additions to existing MFL entries regardless of entry year
 - Note: The CoF agreed to move this issue forward subject to it being limited to otherwise ineligible, contiguous lands.
- Proposed Revision 11: Eliminate lands (new entries) containing improvements with assessed values
- Proposed Revision 12: Shift the contents of s. NR 46.18 (4), Wis. Adm. Code (large owners), to the managed forest land subchapter of Ch. 77, Stats.
- Proposed Revision 14: Allow for electronic signature/approval by DNR and landowners on revised management plan documents for existing participants
- Proposed Revision 15: Eliminate the application referral process



Revisions with General Consensus (continued)

- Proposed Revision 16: Revise the current application process for renewal of MFL lands
- Proposed Revision 18: Require landowners to identify access for the public, equivalent to the landowner's access, to lands open to the public ,or deny the ability to enroll (or keep) MFL lands as open (small landowners who cannot provide access to open lands would lose their MFL-open tax status)
- Proposed Revision 19: Repeal prohibition on recreational leasing for small landowners
- Proposed Revision 20: Modify DNR oversight in on-the-ground management for certified large owners
 - Note: The CoF agreed to move this issue forward for legislative consideration with the understanding DNR and large landowners are able to work to streamline a process focusing on an outcome-based approach model and allow DNR authority to assure MFL compliance.



Administration Revisions

- Proposed Revision 21: Eliminate the study requirement for the MFL program after 5 years of its existence.
- Proposed Revision 22: Update the provision for DNR to report to the legislature on the number of exempt withdrawals. Remove references to WTL and include references to tribal lands for FCL lands.
- Proposed Revision 23: Eliminate statutory provisions related to Woodland Tax Law.
- Proposed Revision 24: Eliminate wording that directs the department to order MFL land withdrawal at the expiration of an MFL order period.



Revisions Subject to Further Review

- Proposed Revision 1: Change in rate or how rates are calculated for open/closed acreage
- Proposed Revision 13: Require modified management plans for DNR designated large ownerships to include the establishment of allowable harvest calculations
- Proposed Revision 17: Allow small landowners to close lands regardless of acreage



Proposed Revision 1: Change in rate or how rates are calculated for open/closed acreage

Special Committee Formed, Recommended to CoF:

Open land MFL tax rate = 2% (currently 5%) of average statewide tax on productive forest land (\$42.70/acre)

Closed land MFL tax rate = 15% (currently 20%) of average statewide tax on productive forest land (\$42.70/acre)

Of the MFL payments received, regardless of those lands being open or closed to public access, the following distribution of MFL payments apply:

20% - State***

55% - Townships

25% - County

***All MFL payments received by the State shall be used for new land acquisition above and beyond what is currently in motion.

Portion pertaining to new land acquisition removed by motion, topic tabled subject to fiscal analysis and examination of effect on Forestry Account (12/13/13 minutes)

Action Item(s)

- DNR will work with Tim Gary (Rep. Jeff Mursau's Office) to gather necessary fiscal items.
- Kim Quast will work as the conduit for vetting the concept through Towns/Counties, and access hunting groups.



Proposed Revision 13: Require modified management plans for DNR designated large ownerships to include the establishment of allowable harvest calculations

Special Committee Formed, Recommended to CoF:

The committee progressed to the point of creating a MFL revision with the following language. Consensus could not be reached on the actual figures and language (bold italics).

“Direct the DNR to promulgate rules for auditing all large account landowners for compliance with the parameters, requirements and purpose of the MFL including the harvesting of timber at levels between ___ *percent and ___ percent of net growth over a sliding 10 year period (with net growth determined by the landowner and approved by the Department)*, subject to revisions as necessitated by ownership or other property modifications.”

Action Item(s)

- *The Department will work with Tom Hittle to collect additional information to bring back to Council for additional review.*

(12/13/13 minutes)



Proposed Revision 17: Allow small landowners to close lands regardless of acreage

Special Committee Formed, Recommended to CoF:

The committee unanimously concluded that the law should remain as is with a limit of 160 acres closed to public access per ownership per municipality. The committee felt that allowing unlimited closed acreage would result in a greater amount of lands being closed to public access. Considering the committee is already recommending a lower closed acreage rate in Proposed Revision 1, and the suggested program revisions already include a repeal of the leasing law, this proposed revision should remain as is.

*By motion CoF accepted committee's proposal
(12/13/13 minutes)*



2013-2014 Wisconsin Legislature

Senate Bill 543

An Act to repeal 20.370 (1) (cx), 77.81 (5), 77.82 (2m) (ac), 77.82 (2m) (ag), 77.82 (2m) (am), 77.82 (2m) (c), 77.82 (2m) (dm) 1., 77.82 (2m) (dm) 2., 77.82 (3) (am), 77.82 (4g), 77.82 (4m) (d), 77.83 (2) (am), 77.83 (4) (b), 77.86 (2), 77.86 (3) (title), 77.87 (1g) (d), 77.88 (2) (a) 1., 77.88 (3g) (a), 77.88 (4), 77.88 (5) (a) 1. and 2., 77.88 (5) (ab), 77.88 (5) (ar), 77.88 (5) (b), 77.88 (5) (c), 77.88 (6) and 77.91 (3); to renumber 77.81 (1), 77.83 (4) (a), 77.86 (1) (a), 77.86 (1) (b) and 77.89 (2) (b); to renumber and amend 77.06 (1), 77.81 (2m), 77.82 (1) (bn), 77.82 (12), 77.86 (1) (title), 77.86 (1) (c), 77.86 (1) (d), 77.86 (3), 77.88 (2) (a) (intro.), 77.88 (2) (a) 2., 77.88 (2) (a) 3., 77.88 (2) (e), 77.88 (2) (f), 77.88 (3), 77.88 (5) (a) (intro.) and 77.89 (2) (a); to amend 20.370 (5) (bv), 74.23 (1) (a) 2., 74.25 (1) (a) 2., 74.25 (1) (a) 3., 74.30 (1) (b), 74.30 (1) (c), 77.07 (2), 77.07 (3), 77.81 (6), 77.82 (1) (a) 1., 77.82 (1) (a) 2., 77.82 (1) (b) 3., 77.82 (2m) (title), 77.82 (3) (title), 77.82 (3) (ag), 77.82 (3) (ar), 77.82 (3) (c) (intro.), 77.82 (3) (g), 77.82 (4), 77.83 (2) (b), 77.84 (3) (b), 77.86 (4), 77.86 (5) (a), 77.86 (5) (b), 77.87 (1), 77.87 (2), 77.87 (3), 77.87 (5), 77.876 (1), 77.876 (4), 77.88 (title), 77.88 (1) (b) 1., 77.88 (1) (c), 77.88 (2) (am), 77.88 (2) (b), 77.88 (2) (c), 77.88 (3) (title), 77.88 (3e) (title), 77.88 (3e) (am) (intro.), 77.88 (3e) (b), 77.88 (3e) (c), 77.88 (3) (c), 77.88 (3m), 77.88 (5) (am) 1., 77.88 (5m), 77.88 (7), 77.88 (8) (b)

3/3/2014 Asm. Assembly Substitute Amendment 1 offered by Representatives Mursau and Clark

3/20/2014 Asm. Assembly Amendment 1 to Assembly Substitute Amendment 1 offered by Representative Mursau

3/20/2014 Asm. Assembly Substitute Amendment 2 offered by Representative Mursau

Important Actions (newest first)

Date / House	Action	Journal
4/8/2014 Sen.	Failed to pass pursuant to Senate Joint Resolution 1	844

Links

[Bill Text \(PDF: !\[\]\(d538389f939343cdedbb759655cf0521_img.jpg\)\)](#)
[Fiscal Estimates](#)
[SB543 ROCP for Committee on Workforce Development, Forestry, Mining, and Revenue \(PDF: !\[\]\(af26bfd2c3812732860041a1728b438b_img.jpg\)\)](#)
[Government Accountability Board information](#)
[Subscribe to updates via Notify !\[\]\(159d358f62b1ac8b870dab1e418e0037_img.jpg\)](#)

See Also

[2013 Assembly Bill 700 - Finance](#)

History

Date / House	Action	Journal
2/3/2014 Sen.	Introduced by Senator Tiffany; cosponsored by Representatives Mursau and Clark, by request of Wisconsin Council on Forestry	623
2/3/2014 Sen.	Read first time and referred to Joint Committee on Finance	623
2/5/2014 Sen.	Withdrawn from joint committee on Finance and rereferred to committee on Workforce Development, Forestry, Mining, and Revenue pursuant to Senate Rule 46(2)(c)	635
2/14/2014 Sen.	Fiscal estimate received	
3/13/2014 Sen.	Fiscal estimate received	
3/19/2014 Sen.	Public hearing held	
4/8/2014 Sen.	Failed to pass pursuant to Senate Joint Resolution 1	

The following slides contain more detail on the
Council's 2013 proposed revisions.

Proposed Revision 1: Change in rate or how rates are calculated for open/closed acreage

- **Current Situation:** MFL landowners pay an acreage share tax in place of regular property taxes. MFL landowners who close land to public recreation also pay a closed acreage fee.

	Enrolled 1987 - 2004		Enrolled 2005 or Later	
EFFECTIVE DATES	OPEN	CLOSED	OPEN	CLOSED
2003 - 2007	\$0.83	\$1.95	\$1.46	\$7.28
2008 - 2012	\$0.67	\$1.57	\$1.67	\$8.34
2013 - 2017	\$0.79	\$1.87	\$2.14	\$10.68

Open Acreage share tax = 5% of average statewide tax on productive forest land (\$42.70/acre)

Closed acreage fee = 20% of average statewide tax on productive forest land (\$42.70/acre)

Under current law, local municipalities normally keep 80% of the open acreage tax and the remaining 20% is remitted to the County. The entire amount of the closed acreage fee is remitted to the County, who then remits the entire amount to the State's Forestry Account for allocation by the Legislature.

- **Conclusion:** The CoF concluded that the rates, how they are calculated, and how the fees are distributed need to be examined. There was Council consensus that consideration should be given to allocating some portion of the closed acreage fee to local municipalities. In the end, CoF believes MFL rates need to be attractive to landowners to incentivize enrollment and foster sustainable forest management, while at the same time providing the public with a return consistent with their investment in the program.



Proposed Revision 2: Reduce/restructure withdrawal taxes and fees

- ***Current Situation:*** Landowners who withdraw lands from MFL early are required to pay a withdrawal tax and fee based upon the assessed value of the land in the year prior to withdrawal, the net town tax rate, and the number of years under the law.
- ***Proposed Modifications:*** Modify the current withdrawal tax formula to reduce the amount due on lands if voluntarily or involuntarily withdrawn.
- ***Conclusion:*** The CoF concluded that determining a reasonable maximum number of years to be used to calculate withdrawal tax will require further analysis in order for it to be appropriate to encourage continued MFL participation of enrolled lands along with new enrollments.



Proposed Revision 3: Change the procedure to allow counties to generate and collect financial transactions for MFL yield and withdrawal taxes

- MFL Yield Tax: The DNR bills landowners for yield tax following completion of a timber harvest on MFL lands and the submittal of a cutting report by the landowner.
- MFL Withdrawal Tax: The DNR determines which lands are no longer in compliance with the law, then works with the Department of Revenue (DOR) to determine the MFL withdrawal tax amount, generates the bill, collects the funds, and pays the local municipality once payment has been received.
- ***Proposed Modifications***: Have the counties take over the MFL yield and withdrawal billing and collection.
- ***Conclusion***: Council members have had some communication with county representatives and concluded there is interest on their part to examine this further. The CoF reached consensus to move this issue forward for legislative consideration.



Proposed Revision 4: Eliminate the 5% yield tax comparison requirement for determining withdrawal taxes

- **Current Situation:** Landowners are required to pay the higher of two withdrawal tax calculation formulas, based on (1) an amount based on assessed value, net town tax rate, and number of years in the MFL program, or (2) 5% of the established value of timber based on tree species, volume, and product.
- **Proposed Modifications:**
 - Eliminate the comparison of the 5% yield tax with the assessed value calculation
 - Eliminate the need for a court ordered estimate if landowners disagree with the 5% yield tax calculation when determining withdrawal taxes
 - Use the withdrawal calculation process in Proposed Revision 2
- **Conclusion:** The CoF agreed to move this issue forward for legislative consideration.



Proposed Revision 5: Allow small acreage withdrawals without full description withdrawal

- **Current Situation:** Landowners are allowed to withdraw lands from MFL if they are (1) an entire parcel of MFL lands (not necessarily the same as a tax parcel), (2) all MFL lands within a quarter-quarter section, or (3) all MFL lands within a government lot or fractional lot.
- **Proposed Modifications:**
 - Allow landowners to withdraw small acreage to be used for building site or land sale without impacting remaining MFL land eligibility provided remainder meets minimum acreage eligibility.
 - Limit the number of times a small acreage can be withdrawn during an order period (in part to prevent withdrawal as subdivision developments) to a maximum of 1 withdrawal for lands under a 25 year MFL order and 2 withdrawals for lands under a 50 year MFL order.
 - Landowner would pay normal withdrawal tax, as proposed in the *“Reduce/restructure withdrawal taxes and fees”* modification but only on acres removed.
 - Allowed withdrawals would be in whole withdrawal acres and limited in size to 1.0 to 5.0 acres and meet minimum zoning requirements.
- **Conclusion:** The CoF agreed to move this issue forward with recognition this be allowed to a limited extent per MFL order.



Managed Forest Law Withdrawal For Construction of a Residence

- Effective July 2, 2013, 2013 Wisconsin Act 20 allows landowners who enrolled lands under the Managed Forest Law (MFL) before October 11, 1997, to withdraw one to three or more acres of land in each parcel of land for the purpose of building a human residence on MFL lands.
- 2013 Wisconsin Act 20 was exclusively established for landowners who had enrolled into MFL prior to the 1997 change to the MFL program that prohibited human residences.



Proposed Revision 6: Allow the sale or transfer of a portion of a MFL legal description without having to withdraw the entire legal description prior to ownership transfer

- ***Current Situation:*** Lands transferred to new owners during the order period must meet all eligibility requirements in place for initial enrollment. Lands that do not meet all of the eligibility criteria must be withdrawn from the MFL program. An owner looking to sell a portion of a MFL description is required to withdraw the entire legal description and pay the withdrawal fees.
- ***Proposed Modifications:***
 - Eliminate provisions requiring only entire legal descriptions be transferable while still in the MFL.
 - Coordinate continued MFL eligibility requirements for transferred and retained portions of the legal description with proposed modifications related to minimum eligibility size and the provision to Allow exempt withdrawal of limited unproductive acreage if splits in ownership cause lands to no longer meet productivity requirements.
- ***Conclusion:*** The CoF agreed to move this issue forward for legislative consideration.



Proposed Revision 7: Allow lands to remain in MFL, or allow exempt withdrawal, if natural events cause lands to no longer meet productivity requirements

- **Current Situation:** MFL lands must meet eligibility requirements for initial enrollment and continued eligibility, including (1) 10 or more acres, (2) at least 80% productive forest, (3) no more than 20% unsuitable/unproductive forest, (4) not developed for commercial recreation, industry, trade, or other land use incompatible with the practice of forestry, and (5) not developed as a human residence. Lands that do not meet these criteria must be withdrawn from the MFL program.
- **Proposed Modifications:**
 - Establish the ability for lands to exceed the non-productive level for a designated amount of time to provide for restoration of forest productivity levels, and/or allow exempt withdrawal if reason for the lands exceeding non-productivity levels is due to a natural event (flooding, insect, disease, etc., to be further defined by DNR in administrative code).
 - At the end of enrollment period (25 or 50 years), any lands not meeting productivity requirements would not be allowed to be re-enrolled.
 - Administrative code could identify the amount of time allowed for MFL lands to be brought back into compliance with eligibility requirements.
- **Conclusion:** The CoF agreed to move this issue forward for legislative consideration.



Proposed Revision 8: Allow exempt withdrawal of limited unproductive acreage, if splits in ownership cause lands to no longer meet productivity requirements

- **Current Situation:** MFL lands must meet eligibility requirements for initial enrollment and continued eligibility, including (1) 10 or more acres, (2) at least 80% productive forest, (3) no more than 20% unsuitable/unproductive forest, (4) not developed for commercial recreation, industry, trade, or other land use incompatible with the practice of forestry, and (5) not developed as a human residence. Lands that do not meet these criteria must be withdrawn from the MFL program.
- **Proposed Modifications:**
 - Maintain provisions requiring transferred (sold and still under MFL) lands must meet the 80/20 productivity eligibility requirements, but allow exempt withdrawal of the minimum acres needed in order for the parcel to meet productivity requirements.
 - Require that only the minimum amount of unproductive acres be allowed to be withdrawn in order to allow remaining parcel(s) to meet 80/20 productivity eligibility requirements. This would be an exempt withdrawal.
- **Conclusion:** The CoF agreed to move this issue forward for legislative consideration.



Proposed Revision 9: Increase minimum acreage entry size allowed

- ***Current Situation:*** The minimum acreage for enrollment in MFL is 10 contiguous acres. Of these 10 acres, 80% of the lands must meet productivity requirements, and no more than 20% of the lands can be unsuitable for producing timber products.
- ***Proposed Modifications:*** Increase the minimum size requirements for new MFL entry or parcel size to 15 acres.
- ***Conclusion:*** The CoF agreed to move this issue forward with recognition that further analysis may be warranted to examine impacts in certain areas of Wisconsin where small woodlots are prevalent and important to maintain.



Proposed Revision 10: Allow additions to existing MFL entries regardless of entry year

- ***Current Situation:*** Landowners who enrolled lands in MFL in 2004 and earlier are unable to add lands to these MFL Orders. The legislature addressed the inability to add lands to a 2004 or earlier MFL Order by creating the ability to withdraw the 2004 and earlier entry, and re-enroll those same acres with the additional acreage to be added under a 2005 and later MFL entry.
- ***Proposed Modifications:*** Modify the requirements that after April 28, 2004, lands that meet eligibility requirements must be enrolled as new entries. Any additions to an existing entry would expire the same year as the original order. Eliminate the withdrawal and re-designation application process.
- ***Conclusion:*** The CoF agreed to move this issue forward subject to it being limited to otherwise ineligible, contiguous lands.



Proposed Revision 11: Eliminate lands containing improvements with assessed values

- ***Current Situation:*** Landowners may enroll lands with buildings that are used for working or recreating on the MFL property. Buildings are taxed as personal property. Buildings used for a human residence must not exceed 4 of the 8 building characteristics as outlined in NR 46, Wis. Admin. Code, except those buildings created prior to 2004.
- ***Proposed Modifications:*** Change statutory provisions to eliminate entry of lands with improvements.
- ***Conclusion:*** The CoF agreed to move this issue forward for legislative consideration. This would be in effect for all new entries.



Proposed Revision 12: Shift the contents of s. NR 46.18 (4), Wis. Adm. Code (large owners), to the managed forest land subchapter of Ch. 77, Stats.

- ***Current Situation:*** DNR allows landowners meeting the criteria of a large landowner to keep management plans and forest reconnaissance data for their properties in their own ownership or office, and provide DNR with a commitment to follow their management plan. Large landowners have a forester on staff or retained, have reconnaissance data for their property, and management criteria on when to harvest and update forest reconnaissance data. DNR may audit management plans and systems to determine continued eligibility under the MFL program.
- ***Proposed Modifications:*** Copy the wording for large ownership requirements from NR 46, Wis. Admin. Code and place it into ch. 77, Wis. Stats.
- ***Conclusion:*** The CoF agreed to move this issue forward for legislative consideration.



Proposed Revision 13: Require modified management plans for DNR designated large ownerships to include the establishment of allowable harvest calculations

- ***Current Situation:*** Landowners who qualify as a large landowner are expected to follow their own written management plans. DNR can audit those plans and other program criteria to ensure lands enrolled continue to meet conditions of the MFL program. Harvesting occurs according to the landowner's management plan.
- ***Proposed Modifications:*** Require a calculated allowable harvest be established for large landowner properties.
- ***Conclusion:*** The CoF reached a consensus on the recognition that the continued production of timber on large ownerships be addressed within the parameters, requirements, and intent of the MFL to include considerations for timber volume and the time component of timber being on the market. The CoF consensus included awareness that this issue may warrant further analysis.



Proposed Revision 14: Allow for electronic signature/approval by DNR and landowners on revised management plan documents for existing participants

- ***Current Situation:*** In the past, forest management plans for MFL properties were hand written and required the signature of both landowner and DNR forester.
- ***Proposed Modifications:*** Allow DNR personnel to obtain landowner approval and acknowledgment of a revised management plan by electronic means using e-mail or other electronic formats.
- ***Conclusion:*** The CoF agreed to move this issue forward for legislative consideration.



Proposed Revision 15: Eliminate the application referral process

- ***Current Situation:*** DNR is required to have a referral system and a process to determine if services from a Certified Plan Writer (CPW) are not available. DNR is required to prepare MFL applications for landowners if services from a Certified Plan Writer (CPW) are not available.
- ***Proposed Modifications:***
 - Eliminate the need to develop and manage a referral list.
 - Eliminate the collection of a management plan fee.
 - Eliminate the need to determine when services from a CPW are not available.
 - Eliminate the contracting of MFL applications by the Department.
- ***Conclusion:*** The CoF agreed to move this issue forward for legislative consideration.



Proposed Revision 16: Revise the current application process for renewal of MFL lands

- **Current Situation:** Landowners may re-enroll lands in the MFL program at the expiration of their current 25 or 50 year term. Landowners are required to hire a Certified Plan Writer (CPW) to develop a new application, and create a new forest management plan.
- **Proposed Modifications:** Renewals of MFL agreements would eliminate the need for landowners to develop new management plans, and ultimately the review of those plans by DNR staff. DNR would deny a renewal only if (1) the lands fail to meet eligibility requirements, (2) the landowner has failed to comply with the management plan in effect on the date the application for renewal is filed, (3) there are delinquent taxes on the land, (4) ownership and entry acreage has changed, (5) forested acreage has not had an inspection/update date in WisFIRS within the last 5 years, or has not been updated to reflect any recently completed management activities, and (6) the management plan does not contain scheduled mandatory practices for the duration of the new entry period. Tax rates for renewals would be based on the 2005 or later rate schedule.
- **Conclusion:** The CoF agreed to move this issue forward for legislative consideration.



Proposed Revision 17: Allow small landowners to close lands regardless of acreage

- ***Current Situation:*** Under current law, landowners enrolled in the MFL are allowed to close 160 acres of land to public recreation, of which only 80 acres or two legal descriptions per municipality may be lands enrolled in 2004 or earlier. This acreage limitation encourages landowners to subdivide property into different ownerships in order to legally close as much land as possible.
- ***Proposed Modifications:*** Eliminate the closed acreage limitation.
- ***Conclusion:*** The CoF hesitantly, by consensus, agreed that this modification addresses the process of “gerrymandering” ownerships to increase closed acreage. The CoF also agrees with the value of MFL lands open for public use and, as such, recognizes the conflict with this and the proposed modification.



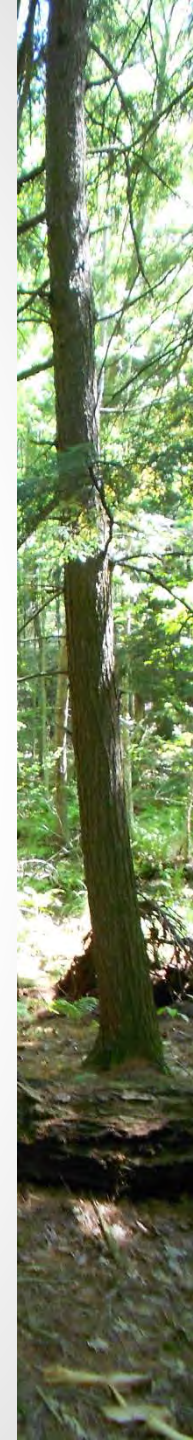
Proposed Revision 18: Require landowners to identify access for the public, equivalent to the landowner's access, to lands open to the public, or deny the ability to enroll (or keep) MFL lands as open (small landowners who cannot provide access to open lands would lose their MFL-open tax status).

- **Current Situation:** Many landowners have learned to create multiple ownerships in order to close lands to public recreation. Some of these ownerships are developed in a manner where lands open to public recreation are surrounded by other ownerships closed to public recreation, even though the same landowner or groups of landowners may have interests in both ownerships. This situation allows for lands open to public recreation to be effectively land-locked.
- **Proposed Modifications:**
 - Create a provision requiring a landowner to identify access to lands open to public recreation equivalent to the access the landowner uses, or deny them the ability to enroll or maintain lands as “MFL-Open” (landowners who cannot provide evidence of legal access to open lands would lose their open tax status and be required to pay the closed MFL acreage rate). This would apply to any land-locked MFL legal description.
 - MFL ownerships categorized by the DNR as large landowners would be provided with a mechanism to allow exceptions given the inherent possibility that over large acreages managed for timber production that a small amount of land may have access limited to the occurrence of forest management activities. This exception would also recognize the large acreage of publically accessible lands associated with these owners. In addition, designated large landowners would not be allowed the option to close lands to public use (other than as currently provided by the MFL for temporary periods).
- **Conclusion:** The CoF agreed to move this issue forward for legislative consideration.



Proposed Revision 19: Repeal prohibition on recreational leasing for small landowners

- ***Current Situation:*** MFL landowners are not allowed to receive consideration for recreation activities on MFL lands. The leasing prohibition was effective on January 1, 2008.
- ***Proposed Modifications:***
 - Permit leasing, including other agreements for consideration (reimbursement), allowing persons to engage in a recreational activity. This provision would reverse the 2008 legislation, allowing small landowners the ability to lease lands again.
 - This reinstatement would exclude DNR designated large ownerships where leasing would not be allowed consistent with the previous revision requiring large ownerships to be open for public use.
- ***Conclusion:*** The CoF agreed to move this issue forward for legislative consideration.



Proposed Revision 20: Modify DNR oversight in on-the-ground management for certified large owners

- ***Current Situation:*** MFL landowners are required to submit a cutting notice at least 30 days prior to cutting. DNR Foresters review the cutting notice and approve or deny the cutting plan within 30 days. Review of the cutting notice may, and often does, include a DNR forester site visit to the property.
- ***Proposed Modifications:*** The intent of this modification is to clarify recognition that DNR-designated large landowners with professional forest management staff that are third party certified are not required to have each and every harvest approved via the current cutting notice process.
- ***Conclusion:*** The CoF agreed to move this issue forward for legislative consideration with the understanding DNR and large landowners are able to work to streamline a process focusing on an outcome-based approach model and allow DNR authority to assure MFL compliance.





THANK YOU!