



Tony Evers, Governor

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Tom Hittle
Chairman

April 15, 2021

Matt Dallman
Vice-Chair

Co-Chairs, Wisconsin Joint Committee on Finance:

Heather Berklund

Honorable Senator Howard L. Marklein
Room 316 East
State Capitol
P.O. Box 7882
Madison, WI 53707

Honorable Representative Mark Born
Room 308 East
State Capitol
P.O. Box 8952
Madison, WI 53708

Sen. Janet Bewley

Michael Bolton

James Hoppe

RE: Forestry in Wisconsin's 2021-2023 State Budget

Buddy Huffaker

Senator Marklein and Representative Born,

James Kerkman

Dr. William Van Lopik

The Wisconsin Council on Forestry (COF) was established in 2002 under Chapter 26.02 to advise the governor, legislature, the Department of Natural Resources, and other state agencies on topics affecting Wisconsin's forests and forest products industries. The Council consists of 18 members representing Wisconsin's strong forest community dedicated to supporting the industry and the sound and sustainable management of our forest resources.

Rebekah Luedtke

Rep. Beth Meyers

We are writing today to emphasize the critical importance of state funding for Wisconsin's forestry programs in maintaining healthy, productive forests and all the benefits they provide. Forests in Wisconsin are one of our most powerful economic drivers, generating more than \$24B annually, and one of our best environmental assets.

Rep. Jeffrey Mursau

Ken Price

Dr. Adena Rissman

Henry Schienebeck

Jason Sjostrom

Jordan Skiff

Paul Strong

Wisconsin has earned a reputation as a national leader in sustainable forestry, due to our long-term investments in critical functions such as fire control, reforestation, and forest product technical support and training. Wisconsin residents have enjoyed consistently high levels of productivity, environmental benefits, and economic output from our forests. The COF appreciates the support the Joint Committee on Finance has given to Wisconsin's forests and industry and look forward to continued support. Below are important forestry related investments currently proposed in the Governor's budget, that we are asking to be included in the Legislator's budget bill:

- Maintain the current law provision that directs “**an amount equal to 0.1697 mills for each dollar of the assessed valuation of the property in the state** to be transferred from the general fund to the conservation fund for the purpose of acquiring, preserving and developing the forests of the state and for other specified forestry purposes”. In 2017, legislators promised to maintain forestry funding from GPR when the budget committee voted to end the forestry mill tax.
- Increase County Forest **acreage share payments**.
- Increase **urban forestry funding** to address emerging threats and for increased tree planting in urban areas.
- Provide expenditure and position authority to administer the **Good Neighbor Authority**.
- Support and extend the **Knowles-Nelson Stewardship Program**.
- Additional funding for the **Wisconsin Forest Landowner Grant Program**.

In addition to the investments above, we ask for your support to grant the DNR new spending authority from the Forestry SEG account, for functions the Council has identified below that will further enhance forest industry and sustainable forestry in Wisconsin. These are currently not reflected in the Governor’s budget proposal:

- Create statutory authority to **provide funding to increase forest-based employment** for youth and adult workers in transition.
- **Create a forest-related economic development fund** ensuring that grants and loans for facility upgrades, new technologies, and mill diversification and conversion are made available to mill owners and other forestry related businesses.
- Fund a part time **limited-term Council on Forestry employee** within the Department of Forestry (similar to the Urban Forestry Council Liaison). This position would facilitate the Council on Forestry operations.

The Council on Forestry is committed to working with Wisconsin’s legislature and governor to ensure that a secure, segregated source of funding for Wisconsin’s forestry programs is in place to meet current and future needs. If you or your colleagues on the Joint Committee on Finance need additional information or clarification, please do not hesitate to contact me. I and other members of the Council will be glad to be of assistance. For additional information about the importance of investing in a strong forest products-based industry and sustainable, healthy Wisconsin forests, please see the attached addendum.

Thank you for your leadership in guiding our state budget development process.

With best regards,

Tom Hittle



Chair of the Wisconsin Council on Forestry

Please note that due to the nature of her position, Chief State Forester, Heather Berklund respectfully withdraws her name as a signatory of this letter. In addition, Henry Schienebeck and Ken Price abstain from signing this letter.

Addendum to the Wisconsin Council on Forestry's Letter to the Joint Committee on Finance

The current General Program Revenue allocation to the Forestry Account within the Conservation Fund supports public safety and forestry-related programs including the following critical functions.

- Grants and Aids to local units of governments
- Forest management activities on public lands
- Wildland fire control operations and support for rural fire departments
- Supporting family forest owners through the Managed Forest Law
- Forest nurseries, forest health and forest conservation activities
- Forest recreation, campgrounds, trails, and forest facilities
- Support for community tree programs
- Debt service for Knowles-Nelson Stewardship

A few facts about Wisconsin forests:

- Forests currently cover 17 million acres in Wisconsin, or 46% of our total land area.
- Additionally, urban forests and greenspaces cover 554,868 acres in our cities.
- 70% (11.9 million acres) of Wisconsin forests are owned by over 414,000 private landowners.
- The balance of our forests is owned and managed by counties and local governments, the US Forest Service, corporations, the State of Wisconsin and Native American tribes.
- The forest products industry in Wisconsin supports 63,000 family-supporting jobs and generates \$24.4 billion in value to the state's economy. Without 1,200+ forest products companies creating the markets for raw forest materials, our ability to sustainably manage forests will be challenged if not impossible.
- Emerging forest products in mass timber and nanocellulose are providing increased market diversification.
- Forest businesses generate \$1.1 billion in state and local taxes and \$2.0 billion in federal tax.
- Forests in Wisconsin are highly productive and stable carbon sink that store more than 1.5 billion tons of carbon dioxide and whose annual growth offsets as much as 15% of our total annual greenhouse gas emissions.
- Forests provide incalculable benefits for clean water, clean air, and wildlife habitat.
- Forest-related recreational activities are a large component of the \$13 Billion in tourism and visitor spending in Wisconsin estimated for 2018.
- Forests and the wildlife habitat and freshwater they support contribute to an \$18 billion outdoor recreation industry in Wisconsin.