

February 9, 2016

Statement on Wisconsin Managed Forest Law Legislation

The Forest Stewards Guild offers the following comments on Senate Bill 434 / Assembly Bill 561, the proposed legislation to revise Wisconsin's Managed Forest Law (MFL).

Our comments refer specifically to Assembly Substitute Amendment 1 (ASA1) to Assembly Bill 561, which was passed in the Assembly Committee on Environment and Forestry on February 4th, and ASA1 to SB561, which was passed in the Joint Committee on Finance on February 4th.

While this legislation, as amended, includes a number of positive provisions that will streamline the law and provide benefits for forest owners enrolled in the program, there are also several provisions in the bill that we believe will weaken the integrity of the MFL program and potentially undermine the social, economic, and conservation benefits the current law provides. In previous sessions the Wisconsin Council on Forestry has taken the lead on developing consensus-based recommendations for changes to the MFL. We urge legislators to continue to develop any future proposals on MFL revision based on the Council's recommendations.

ASA1 broadens substantially the criteria under 77.06(1) for which individuals are considered exempt from Department review and approval of Managed Forest Law cutting notices. We strongly oppose this new provision. Current law on the qualifications of individuals filing MFL cutting notices should be maintained.

Under current law, Department foresters play a key role ensuring that timber harvests established under the MFL meet required standards - before cutting takes place. Harvesting timber is the single most important activity that occurs on most forests and the economic and environmental impacts of harvesting, whether good or bad, are felt for many years. Getting a timber harvest plan right before the trees are cut is the simplest way to assure that good decisions are made and good practices are applied.

ASA1 will essentially render any qualifications for forestry practice meaningless by exempting from Department oversight of cutting notices almost anyone who has worked in a forest. If enacted, this provision will substantially increase the risk for the over 40,000 forest owners enrolled in the program that their forests will be subjected to inappropriate or destructive harvesting by unqualified individuals. This will also put private forest owners at risk of having the value of what is often their single biggest asset diminished, and exposed to the liability of penalties or involuntary withdrawal if their land is no longer in compliance with the MFL program because the person they engaged performed incompetent or destructive logging.

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This provision will truly create a "buyer beware" situation for forest owners, most of whom have very little experience managing timber, and who up until now have relied on the experience of Department oversight to help assure that sound forestry is being employed on their lands.

Section 26 of ASA1 modifies 77.82(11) such that any modification to the MFL that could be construed to change the terms of an existing MFL order will require MFL enrollees to either accept the change in writing or be voluntarily withdrawn from the program without penalty. This provision will be expensive and burdensome for the department to administer. More importantly, it will have the certain effect of encouraging large numbers of owners to exit the program unnecessarily. We support the current law that already makes clear that no MFL order can be modified without the express consent of the owner in writing. This new provision will be both unnecessary and confusing for enrollees, and harmful to long-term enrollment in the program.

The fiscal changes in the bill will also weaken the capacity of the Department to manage the MFL program and continue to provide critical support services to private forest owners. The combined fiscal provisions in the bill are estimated to increase the structural deficit in the Forestry Account by over \$9 million annually. While we support provisions to return revenue to local units of government, taken together the fiscal provisions in the bill as amended will erode the capacity of Wisconsin's forestry program, which has long been regarded as one of the best in the nation.

The early history of harvesting timber in Wisconsin was a story of extraction - cutting the most valuable timber as fast as possible without regard to management and little thought for the future. The Managed Forest Law has been a remarkably successful tool for protecting forests in Wisconsin from destructive cutting, and promoting a more sustainable and balanced use of our forests that has helped assure a steady wood supply for our forest products industry and significant economic returns for forest owners, while also assuring the clean air, clean water, wildlife, recreation, and other forest values are recognized and protected. Unfortunately, many of the benefits created by the MFL will be jeopardized if this bill is enacted as written.

Wisconsin's Managed Forest Law has been regarded for over 25 years as one of the best examples in the nation of state support for private forest ownership and management.

Forest Stewards Guild members include forestry and conservation professionals in private, public and research practice throughout the United States. We support much needed revisions to the MFL in ways that will maintain the practices of sustainable forestry that forest tax laws in Wisconsin have helped incentivize since 1927.

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