

Council on Forestry Meeting
Grand Lodge
805 Creske Avenue, Rothschild, Wisconsin
November 13, 2014

Council Members Present: Henry Schienebeck (Council Chair), Jane Severt (Council Vice-Chair), Paul DeLong, Kim Quast, Rep. Jeff Mursau, Sen. Tom Tiffany, Virgil Waugh, Troy Brown, Paul Strong, Matt Dallman, Bruce Allison, James Hoppe, Tom Hittle, and Mark Rickenbach

Council Members Absent: Richard Wedepohl and James Kerkman

Guests Present: Allison Hellman (WDNR), Terrisa Mulder(WDNR), Fred Souba (Provision Forestry), T.J. Morrice (Marth Wood Shaving Products), Carmen Hardin (WDNR), Nancy Bozek (WWOA), Mike Carlson (Gathering Waters), Tom Duffus (Conservation Fund), Rebecca Gray (WDNR), Paul Kienitz (WWOA), Gretchen Marshall (UWSP/LEAF), Pat Snyder (Congressman Duffy's Office) and Bryce Luchterhand (Senator Tammy Baldwin's Office)

Chair Schienebeck called the meeting to order at 9:16 am with introductions of Council members and guests present.

Meeting Minutes

Workforce Sub-Committee updates

Mark Rickenbach

Council members received earlier this week in the mail an annual report featuring the LEAF Program within the Wisconsin Center for Environmental Education (UWSP). Mark is currently working with Brigit from Nicolet College to outline a course for upper level graduates in which they will pull together and provide basic data regarding forestry trends. He hopes to have additional information to provide in May. Henry suggested a wage comparison be performed in addition to an evaluation of why there is a shortage of qualified technicians. He also suggested there may be grants available for programs of this type through Workforce Development.

MFL Revisions

Tom Hittle

Tom gave a review of the following 2013 proposed MFL program revisions.

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.

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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.)

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

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.)

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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

Items suggested by Council members for consideration:

- Was there a secondary requirement that limits where within the larger parcel of MFL land the smaller parcel can be taken out of? Example: if the property owner wants to remove acreage to build a house, etc.
- Relating to proposed revisions 5 & 6: Senator Tiffany expressed concern that Real Estate Investment Trusts' interests may not be aligned with forest crop law priorities.
- Senator Tiffany suggested researching the use of value reports.
- Jane mentioned possible interest in two separate programs as it is a struggle to fit both large and small landowners under one umbrella.

Action Item(s):

- Senator Tiffany and Representative Mursau will have a conversation regarding the process moving forward and come back to the Council. In the meantime, the Council will establish a committee charged with looking at alternative options to the MFL program.

Note: Senator Tiffany suggested having representation from local government sitting with the Council while drafting the bill.

Biennial Report

Allison Hellman

The draft-council report was sent out last week with the final product due January 1, 2015. The Council reviewed the draft report and discussed any questions or concerns they may have had.

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Action Item(s):

- Allison and Paul DeLong will do a mark-up of the draft with revisions from today's discussion and send out to Council for on-line electronic approval.
- Henry will create and provide to Allison an introduction letter for the report.

Decision Item(s):

- The Council confirmed its earlier decision to move forward with the development of a more streamlined report.

Twin Lakes Legacy Presentation

Tom Duffus – Conservation Fund

Tom Duffus, Vice President of the Midwest Region for the Conservation Fund, gave a presentation on what the Conservation Fund does, who they partner with, and what their overall goals are. The Conservation Fund has protected more than 7 million acres of land and water in all 50 states, working with community, government, and business partners. Together, their goal is to balance economic and environmental goals.

Tom also discussed Wisconsin projects in Douglas and Juneau counties and two Forest Legacy (DNR) projects in the Twin Lakes and Brule-St. Croix Legacy Forests. He discussed the various partners involved in the projects in addition to the sources of funding.

Legislative Updates

Senator Tiffany

His major focus will be the MFL revisions. There are a large number of new members coming into the legislature, Senator-elect Roth, of the Fox Valley has expressed interest in working with Forestry.

Representative Mursau

Tim Gary is no longer working in his office and is now the Legislative Liaison for the DNR. Representative Mursau will be filling the position as soon as possible and is anxious to work with Senator Tiffany on the MFL project.

Representative Clark

This is Representative Clark's last meeting and he wished Sen. Tiffany and Rep. Mursau good luck. He stated it has been a pleasure to serve on the Council. He will be working full-time in Madison for the Forest Guild.

Bryce Luchterhand (Senator Tammy Baldwin's Office)

Bryce stated Senator Baldwin has a strong desire to see Good Neighbor Authority and Stewardship Contracting advance as soon as possible in a manner favorable to Wisconsin. She is well aware of the NLEB issue but hasn't expressed her feelings at this time. She has a desire to see collaborative training in regard to the CNNF and is hopeful we do not pin all of our efforts on one specific tool but rather pursue all of them to support good forestry in northern Wisconsin.

Pat Snyder (Congressman Duffy's office)

Congress will have a new feel come January with many new additions. Congressman Duffy and Congressman Ribble have sent a letter to USFWS in opposition to the possible listing of NLEB under the ESA and will continue to monitor this as a major priority.

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State Forester Report**Paul DeLong****Master Logger Incentives**

The Master Logger Incentive Program was presented at the previous Council meeting and feedback on the program was requested from Council members. Feedback was received from a few Council members however not the majority. Kim presented to Council a copy of a letter of support addressed to the Council on behalf of Wisconsin Consulting Foresters.

Motion

Mark Rickenbach made a motion to move forward in seeking legislative change to allow Master Logger incentives with the understanding that the specific incentives have yet to be determined and will require additional dialogue. Fred Clark seconded the motion. All Council members with the exception of Jane Severt approved the motion.

Northern Long Eared Bat (NLEB)

Copies of a letter addressed to USFWS from Midwest Association of Fish & Wildlife Agencies, Southeastern Association of Fish & Wildlife Agencies, Southern Group of State Foresters, and Northeastern Area Association of State Foresters was presented to Council members. The letter encouraged USFWS to not list the bat as endangered and to adopt a sensible, science based approach to management of white nose syndrome and critical bat habitat that does not adversely affect sustainable forestry management.

A comment period is now underway on the letter, USFWS plans to reach an internal decision by mid-December and an announcement of that decision in late March.

Good Neighbor Authority

USFS had scheduled a webinar regarding GNA for the states tomorrow. However, it has been postponed due to the Paperwork Reduction Act. They are trying to resolve the issue surrounding the requirement on a non-Federal entity that affects more than ten entities stating you have to go through a review process.

Important components we are waiting to learn how they will be treated include:

- Waiting for clarity on issue of interest with respect to use of revenue to pay for services
- Looking at whether the authority would extend to Counties as agents of the state.
- Right now we do not have an instrument to sign an agreement with the state. Waiting for this to be developed. We are also unsure what sort of revenue base we will use from a revenue side to enter an agreement.

Gov. Northern Economic Summit

It was announced last week that the December Summit will have a Forestry topic. On the First day, the entire cabinet will be in attendance.

Action Item(s):

- Paul D. will forward the Summit details to Council members.

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Motion

Henry made a motion thanking Fred Clark for his work and dedication to the Council. Troy Brown seconded the motion. Motion carried by acclamation.

Council Research Priorities **Carmen Hardin**

From September through November 2014, internal and external teams engaged to identify priority research questions. Problem statements and research questions are to be ranked by staff representatives from Programs and Divisions by November 20. On December 5, the priorities will be shared with the Forestry Leadership Team and on December 15, the Forestry priorities will be shared with the Department for inclusion in Department's Research Agenda, pending review of the Council in January

The following criteria will be used to rank the priorities:

1. Significance to program
2. Broad-Scale Value to Forestry Community
3. Application of research

Proposal to the Council:

- Council could review problem statements & research questions for additions/deletions
- Council rank & prioritize problem statements & research questions
- Results shared with Council and establish research priorities for Council to work from

Action Item(s):

- Carmen agreed to forward a summary list of problem statements to Council members within the next two weeks.
- Carmen would like a response from the Council in early December so the proposals can be prioritized in January.

Stewardship Funding **(Paul Strong)**

Paul recently held meetings with industry stakeholders, however, attendance was not significantly high. He shared with the Council the materials provided to those various stakeholders with a goal to increase the use of Stewardship funding.

Next Meeting – January 22, 2015 (Concourse Hotel & Conference Center - Madison, WI)

Meeting minutes respectfully submitted by Terrisa Mulder, Wisconsin Department of Natural Resources