

1999 DRAFTING REQUEST

Assembly Amendment (AA-ASA1-AB133)

Received: **06/22/99**

Received By: **rkite**

Wanted: **As time permits**

Identical to LRB:

For: **Senate Democratic Caucus**

By/Representing: **Walter**

This file may be shown to any legislator: **NO**

Drafter: **mlief**

May Contact:

Alt. Drafters:

Subject: **Higher Education - UW System**

Extra Copies:

Pre Topic:

SDC:.....Walter - Caucus #2126,

Topic:

Create a \$100,000 grant program to support the development of sustainable forestry cooperatives

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	rkite 06/23/99 mlief 06/24/99	wjackson 06/24/99		_____			
/1			hhagen 06/27/99	_____	lrb_docadmin 06/27/99		

FE Sent For:

<END>



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Subject: Nat. Res. - forests and parks

Extra Copies: robin k.

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b 822

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/?	rkite	/1 WLj 6/24		_____			

FE Sent For:

<END>

yes

50C

Agency: Natural Resources - Forests and Parks

caucus number 1710

duplicate flag:
duplicate with:

Other reference numbers:	LFB Sum #:
bill number/amendment number:	
LRB draft #	LRB P-draft:

description: Provide \$75,000 from the state forestry fund for a grant to the Urban Open Space Foundation. This funding is included in the JFC version (no change from JFC)

other notes

drafting instructions: See above.
more instructions:

caucus number 2103

duplicate flag:
duplicate with:

Other reference numbers:	LFB Sum #:
bill number/amendment number:	
LRB draft #	LRB P-draft:

description: Scenic Riverway Development. Allocate \$10,000 SEG from the forestry account of the conservation fund for scenic development along the St. Croix river.

other notes

drafting instructions: See above and attached
more instructions:

caucus number 2126

duplicate flag:
duplicate with:

Other reference numbers:	LFB Sum #:
bill number/amendment number:	
LRB draft #	LRB P-draft:

description: Forestry Cooperative Grant Program. Create a \$100,000 grant program to support the development of sustainable forestry cooperatives.

RNK - Parks & Forests

other notes

drafting instructions: See above and attached
more instructions:

caucus number 3713

duplicate flag:
duplicate with:

Other reference numbers:	LFB Sum #:
bill number/amendment number:	
LRB draft #	LRB P-draft:

description: Urban forestry grant. Current law allows DNR to award cities and villages for up to 50% for the cost of trees. Amend this chapter to include counties, towns and non-profit organizations as groups who can be eligible for Urban Forestry Grants.

other notes

drafting instructions: See above and attached
more instructions:

Agency: **Natural Resources - Forests and Parks**

Number of Amendments: 4

NATURAL RESOURCES

CN 2126

Forestry Account - Establishment of Forestry Cooperative Grant Program (No Motion Paper)

Private, non-industrial forest owners account for approximately 60% of the woodland in Wisconsin. The DNR estimates that 75% of these landowners do not have woodland management plans. Two sustainable forestry cooperatives have been formed to enable members to more fully realize the potential economic, environmental and recreational benefits from their land through the use of sustainable management systems. The Cooperative Development Services (CDS) estimates that 20 or more of these cooperatives could be formed over the next 5 years.

Create a \$100,000 grant program to support the development of sustainable forestry cooperatives. A 50% match would be required from non-state funds. The grant program would be administered by the UW Center for Cooperatives. No more than 5% of the earmarked money could be used for program administration.

DNR : FOREST & PARK
\$100,000 GPR

Potentially
e VCC

forestry mill
tax

Sustainable Forestry Cooperative Project

Cooperative Development Services proposes that the State of Wisconsin allocate \$100,000 to the formation of a Sustainable Forestry Cooperative Development Program. This program, to be administered by CDS, would be matched by \$100,000 in non-state funds. The combined funds would be used between July 1999 and June 2001 to provide business planning and development services to ten groups of farmers and other forest owners in Wisconsin interested in forming forestry cooperatives.

Sustainable Forestry Cooperatives in Wisconsin have the potential to:

- improve the management and long term growth of Wisconsin woodlands;
- generate a steady, new income source for Wisconsin farmers and other forest owners;
- provide new jobs in communities with forest resources; and
- provide consumers with the choice of buying wood products from certified, well-managed forests.

Cooperative Development Services (CDS) is playing the lead role in organizing and providing business services to two sustainable forestry co-ops -- Sustainable Woods Cooperative in the Spring Green area and Hiawatha Sustainable Woods Cooperative in the Fountain City area. These prototype cooperatives, the first of their kind in the United States, provide models for future co-ops in Wisconsin. We estimate that 20 or more forestry cooperatives could be established in Wisconsin in the next five years.

DCC
mill
develop

VCC e
community

These 20 co-ops would:

- provide forest management, processing and marketing services to 4,000 or more private, non-industrial forest owners;
- protect one-half million or more wooded acres from over-harvesting; and
- create about 300 full time-equivalent jobs in local communities.

DNR

Private, non-industrial forest owners own about 60% of the wooded land in Wisconsin. DNR estimates that 90% of these landowners don't have woodland management plans. Thus, most of them do not realize anywhere near the potential economic, environmental, aesthetic or recreational benefits from their land.

SP →
misses
landowner
completes
existing
program

By joining together cooperatively, these forest owners can:

- provide themselves with professional forestry and logging services;
- process their timber into value-added wood products; and
- sell these products to wholesale and retail buyers.



Bill

FVI

WISCONSIN FEDERATION OF COOPERATIVES • 30 West Mifflin Street, Suite 401 • Madison, WI 53703 • Phone (608) 258-4400

Date: 6/15/99

To: Members, Assembly Republican Caucus

From: John Manske, ^{jm} Director of Government Relations

RE: Rep. Ainsworth's amendment on forestry cooperative grants

On behalf of the Wisconsin Federation of Cooperatives (WFC), I urge you to support Rep. John Ainsworth's budget amendment pertaining to earmarking \$100,000 of forestry account revenue to an appropriation to the University of Wisconsin Center for Cooperatives (UWCC). The money would be used to award grants to a person or entity proposing to form forestry cooperatives among private, non-industrial woodland owners. A 50% match would be required from non-state funds, and no more than 5% of the earmarked money could be used by the UWCC for administering the award process.

There have been two sustainable forestry cooperatives formed in Wisconsin recently – Sustainable Woods Cooperative in the Spring Green area and Hiawatha Sustainable Woods Cooperative in the Fountain City area. The 130 members of the first cooperative are concentrated in Sauk and Iowa counties and the 40 members of the second cooperative are located in Trempealeau and Buffalo counties. These two are prototypes of what Cooperative Development Services (CDS) estimates could be 20 or more forestry cooperatives in the next five years.

Private, non-industrial forest ^{75%} owners own about 60% of the wooded land in Wisconsin. The DNR estimates that ~~90%~~ of these landowners don't have woodland management plans. Sustainable management systems through these cooperatives enable members to realize the potential economic, environmental and recreational benefits from their land.

By joining together, these forest owners can:

- provide themselves with professional forestry and logging services;
- process their timber into value-added wood products; and
- sell these products to wholesale and retail buyers.

This proposal will provide resources to do business planning and identification of additional forestry cooperative potential.

Thank you for your consideration of this request.

Budget Amendments 1999-

Statement of Intent Earmark \$100,000 funds from the state forestry mill tax to the University of Wisconsin Madison Center for Cooperatives (UWCC).

Legislator	Ainsworth	Amendment#
Staff contact	Carol	Status
Agency	DNR	Tax Cut

Summary Article VII, Section 10 of the state constitution allows the state to appropriate monies for the purpose of acquiring, preserving and developing the forests of the state through a tax on property not to exceed 0.2 mill (20 cents per \$1,000 of property value). This tax is frequently referred to as the forestry mill tax and is the only property tax levied by the state. For 1997-98, the tax generated \$46.6 million, which is 80 percent of the total revenue credited to the forestry account (other revenue sources include campsite fees, timber sales and nurseries).

This amendment would earmark \$100,000 from the forestry ^{account} ~~mill tax~~ to the University of Wisconsin Madison Center for Cooperatives (UWCC) to award grants to a person or business proposing to form forestry cooperatives among private, non-industrial woodland owners. No more than 5 percent of the appropriation may be used by the UWCC to administer the award process. 50 percent of the project cost must be non-state funds and may be cash or in-kind. A forestry cooperative is an organization incorporated under WI STAT 185 with a membership comprised primarily of non-industrial private woodland owners.

Fiscal Impact none

ARC Analyst Matt Tompach

ARC:.....Tompach - AM #115, Grant program for forestry cooperatives
FOR 1999-01 BUDGET - NOT READY FOR INTRODUCTION
CAUCUS AMENDMENT
TO ASSEMBLY SUBSTITUTE AMENDMENT 1,
TO 1999 ASSEMBLY BILL 133

SDC - Walker #2126

- 1 At the locations indicated, amend the substitute amendment as follows:
- 2 **1.** Page 138, line 2: after that line insert:
- 3 "(qm) Grants to forestry cooperatives SEG A 50,000 50,000".
- 4 **2.** Page 310, line 14: after that line insert:
- 5 "SECTION 296m. 20.285 (1) (qm) of the statutes is created to read:
- 6 20.285 (1) (qm) *Grants to forestry cooperatives*. From the conservation fund,
- 7 the amounts in the schedule for grants to forest cooperatives under s. 36.56".
- 8 **3.** Page 465, line 23: after that line insert:
- 9 "SECTION 702m. 25.29 (7) (intro.) of the statutes is amended to read:

1 25.29 (7) (intro.) All of the proceeds of the tax which is levied under s. 70.58, and
2 all moneys paid into the state treasury as the counties' share of compensation of
3 emergency fire wardens under s. 26.14 shall be used for acquiring, preserving and
4 developing the forests of the state, including the acquisition of lands owned by
5 counties by virtue of any tax deed and of other lands suitable for state forests, and
6 for the development of lands so acquired and the conduct of forestry thereon,
7 including the growing and planting of trees; for forest and marsh fire prevention and
8 control; for grants to forestry cooperatives under s. 36.56; for compensation of
9 emergency fire wardens; for maintenance, permanent property and forestry
10 improvements; for other forestry purposes authorized by law and for the payment of
11 aid for forests as authorized in s. 28.11 and subchs. I and VI of ch. 77.”.

12 **4.** Page 503, line 14: after that line insert:

13 “**SECTION 887t.** 36.11 (40) of the statutes is created to read:

14 36.11 (40) CENTER FOR COOPERATIVES. The board shall maintain a center for
15 cooperatives at the University of Wisconsin–Madison.”.

16 **5.** Page 508, line 8: after that line insert:

17 “**SECTION 895s.** 36.56 of the statutes is created to read:

18 **36.56 Grants for forestry cooperatives. (1)** From the appropriation under
19 s. 20.285 (1) (qm), the center for cooperatives under s. 36.11 (40) may award grants
20 to persons to form forestry cooperatives under ch. 185 that consist primarily of
21 private, nonindustrial owners of woodland. A grant recipient shall provide matching
22 funds equal to 50% of the grant amount awarded. The match may be in the form of
23 money or in-kind services or both, but may not include money received from the
24 state.



State of Wisconsin
1999 - 2000 LEGISLATURE

LRBb0848/1
MLJ:wlj:ksh

SDC:.....Walter - Caucus #2126, Create a \$100,000 grant program to support the development of sustainable forestry cooperatives

FOR 1999-01 BUDGET — NOT READY FOR INTRODUCTION

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