

Committee Name:

**Assembly Committee – Rural Affairs and Forestry
(AC–RAF)**

Appointments

99hr_AC–RAF_Appt_pt00

Committee Hearings

99hr_AC–RAF_CH_pt00

Committee Reports

99hr_AC–RAF_CR_pt00

Clearinghouse Rules

99hr_AC–RAF_CRule_99–

Executive Sessions

99hr_AC–RAF_ES_pt00

Hearing Records

99hr_ab0104a

99hr_sb0000

Misc.

99hr_AC–RAF_Misc_pt00

Record of Committee Proceedings

99hr_AC–RAF_RCP_pt00

3-11-99 PH -
AB92, AB104

Committee Meeting Attendance Sheet

Assembly Committee on Rural Affairs and Forestry

Date: March 11th 1999 Meeting Type: Public Hearing
Location: 328 Northwest - State Capitol

<u>Committee Member</u>	<u>Present</u>	<u>Absent</u>	<u>Excused</u>
Rep. John Ainsworth, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Terry Musser	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Kitty Rhoades	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Stephen Freese	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Judith Klusman	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Rep. Mary Hubler	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Barbara Gronemus	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Donald Hasenohrl	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Rep. Gary Sherman	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Totals: 6 0 3



Kristina Boardman, Committee Clerk



GOVERNOR'S COUNCIL ON FORESTRY STATE OF WISCONSIN

Reply to: 241 Shore Acres Drive
Wisconsin Rapids WI 54494
715/423-7550
Fax: 715/423-7550

March 8, 1999

Dan Meyer
Chairman
Wisconsin Rapids

William "Butch" Johnson
Vice Chairman
Hayward

John Ahl
Black River Falls

Miles Benson
Wisconsin Rapids

Sen. Roger M. Breske
Eland

Leon Church
Appleton

Richard Connor
Long Lake

Robert Engelhard
Stevens Point

Gene Francisco
Madison

Steve Guthrie
Tomahawk

Richard Hall
Oshkosh

James Holperin
Eagle River

Rachel Jordan
Dodgeville

Paul Mikulak
Stoughton

Nick Moncel
Eau Claire

Cathy Nordine
Land O'Lakes

Thomas Ourada
Antigo

Thomas Schmidt
Neenah

Eugene Schmit
Tomahawk

Rep. Lorraine Seratti
Spread Eagle

Robert Skiera
Milwaukee

Linda Windmoeller
Phillips

Mr. Chairman and Members of the Rural Affairs and Forestry Committee,

My name is Paul Mikulak and I represent the Governor's Council on Forestry. I am here today to express our view of Assembly Bill 104.

This piece of legislation has appeared on prior occasions. The last time I saw it was last year. The Governor's Council testified last year and we wish to reiterate the same position that we took at that time.

We feel as though there is nothing wrong at all in the inclusion of cities with the list of other municipal designations. I am sure that, when the authors of the Managed Forest Law envisioned the possible sites that would be eligible for consideration that they did not believe that much forested property located within cities would be of consequence. In fact there are several cities, because of the nature of the boundaries, that do have eligible parcels for MFL status. We applaud the efforts of the legislator who is the primary author of this bill for keeping an eye on the concerns of his constituency and for trying to include members of his district in this tax deferral program. This can be achieved by including the word "cities" as part of the definition of municipalities.

Our support for this bill however ends there.

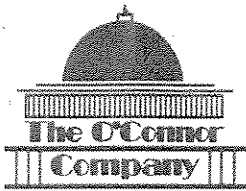
The Council does not support any right of the cities to then dictate to the Department of Natural Resources what eligible properties for MFL status may or may not in fact be eligible based on zoning considerations of the city. Currently towns and villages do not enjoy that right and we think that to allow any municipal designation the authority to over ride the MFL statute will lead to chaos.

The Managed Forest Law was designed to encourage forestry. This tax deferral program is meant as a long-term approach to the resource for those with patient money and a sound approved plan for the property. It is already law. It is a relatively new law in the scheme of forestry where considerations for the resource take decades. We believe that to significantly adjust this legislation at an early point in its life would be inadvisable.

Over the past two years there have been several instances of local zoning authorities trying to preserve certain aspects of their landscapes which have inadvertently restricted the rights of land owners to harvest timber. Although not intentional, these activities have caused a lot of concern in the forestry community, enough so that the legislature directed the DNR to draft legislation to be presented this year which would protect forest land from the consequences of zoning ordinances. With this mandate from the legislature it would seem to be antithetical to allow zoning restrictions within the structure of the Wisconsin's signature piece of legislation designed to promote stewardship of the resource with an eye towards active forestry.

Last year some of the sponsors of this bill amended it to reflect the inclusion of cities. That was all that the bill was and it passed the committee but did not apparently go beyond that point in the legislative process. We suggest that a similar course be taken this year in hopes that cities can find a rightful place within the confines of the Managed Forest Law, but that no other aspects of this bill are passed.

The Governor's Council very much appreciates the time afforded it in this hearing and hopes that our relationship to this committee in the future can be beneficial to the legislative process.



GOVERNMENT AFFAIRS & GRASSROOTS COMMUNICATIONS

March 11, 1999

TO: Chairman John Ainsworth and Members, Assembly Rural Affairs and Forestry Committee

FR: Alice O'Connor
For the Lake States Lumber Association and Timber Producers Association of Michigan & Wisconsin

RE: Oppose Assembly Bill 104 in Current Form
support if amended to address concerns below.

The Lake States Lumber Association represents over 200 businesses utilizing timber resources in the Lake States Region employing more than 20,000 workers. The Timber Producers Association has 1,300 members, mainly consisting of truckers, loggers, sawmills and landowners.

As members of this committee are well aware, both Associations are strong supporters of the Managed Forest Law (MFL). We have no problem with people who reside in cities joining the MFL Program.

However, we strongly oppose the portion of the bill granting cities the power to essentially mandate that the DNR deny a petition for MFL land in a city.

The first problem comes with providing powers to one unit of government and not another. The preferential treatment of cities over all other units of government is not good public policy.

The second, and main problem, is that the DNR has done an outstanding job of administering this program. The criteria for *any* landowner *anywhere* who wants to participate in this program is quite clear and does not differ from county to county, much less city to city. We only have to remember why MFL and its preceding programs were put into place. In Wisconsin approximately 60% of all forested lands are in private non-industrial ownership. MFL is a program that has an incentive for landowners to keep their land forested (instead of other types of permanent development). If anything, we should look at ways to simplify the enrollment process and not make it more difficult, as this provision does. The current system works and needs no further complication.

Villages, towns and counties have not sought control over this very successful program for a reason -- there is no need, nor would it be proper. This is a DNR program administered by very knowledgeable people. To extend the program to cities is fine, but to then allow cities to ban its use, makes very little sense.

We urge the Committee to oppose Assembly Bill 104 as written.

**Testimony Before the
Assembly Rural Affairs and Forestry
Committee
March 11, 1999**

In Regards to AB 104

Good morning Chairman Ainsworth and committee members. I am Ken Hujanen, chief of the Forest Tax Section, Bureau of Forestry, in the Department of Natural Resources. First let me thank you for this opportunity to come before you in regard to AB 104.

Wisconsin has three forest tax laws to encourage the management of forest lands for the production of forest crops and compatible uses through the use of property tax incentives. The Managed Forest Law was enacted in 1985 and replaced the older two laws. All three laws have not allowed lands within city limits to be designated under the laws unless incorporated after designation.

This bill if enacted could open lands within city limits to public access and include forest management activities in their woodlots. It would lower taxes on the woodlots to a far greater extent than the law presently does within towns and villages due to normally higher property taxes in the urban setting.

Let me quote the purpose of the Managed Forest Law:

The purpose of this subchapter is to encourage the management of private forest lands for the production of future forest crops for commercial use through sound forestry practices, recognizing the objectives of individual property owners, compatible recreational uses, watershed protection, development of wildlife habitat and accessibility of private property to the public for recreational purposes.

The Managed Forest Law includes the right for a landowner to designate their woodlands as "open" giving the public the right to hunt, fish, hike, sight-see, and cross-country ski on the land. This gives the landowner a low annual acreage share. The landowner may also "close" the land to public access. Presently the rates are \$.74 per acre for "open" lands plus \$1.00 per acre to "close". This totals \$1.74 per acre for lands closed to public access. Most cities restrict hunting within their limits. This may be a conflict for those landowners who would wish to keep their lands "open" and receive the greatest tax relief.

The law requires a management plan be prepared prior to lands being designated as Managed Forest land. There are many aspects of a management plan but an important one is the requirement for the plan to include :

"A description of the forestry practices, including harvesting, thinning and reforestation, that will be undertaken during the term of the order...."

Five percent of timber sale values are paid by the landowner and shared between the State, Town, and County as a yield tax. The Department of Natural Resources would be remiss to not plan timber harvests within city limits and deny the local governments their rightful revenues.

Management of forest lands within city limits would prove challenging. Forestry practices that may be mandatory include:

- Harvesting mature timber...
- Thinning plantations and natural stands for merchantable products...
- Release of conifers from competing vegetation...
- Reforestation of land...
- Post-harvest treatment...

• Soil conservation practices that may be necessary...

These practices may be upsetting to city residents, especially when they occur in their neighborhood. Traditionally agricultural and forestry practices are more acceptable in rural towns and villages. As an area has increased development, the residents become more disturbed by agricultural and forestry practices. The Woodland Tax Law was a 15 year program and quite often did not have many mandatory practices as part of the management plan. The newer Managed Forest Law is for 25 or 50 years and has a higher degree of mandatory practices. Within a 25 year period, it is conceivable most cities will have a high level of development, with a likelihood the development will take place in the areas not presently developed. We expect the cities to have a higher degree of development and we would anticipate a greater level of irritation by residents to forest management activities. Imagine what it will be like when a logging truck and skidder show up in a 10 acre woodlot in Milwaukee, Madison, Sheboygan, or LaCrosse.

There are definitely some positive aspects to consider about forest land being reserved from development within city limits. I feel another program could be developed for that purpose. Woodlots within cities do not fit the purpose of the Managed Forest Law.

I would be willing to answer any questions you may have on the forest tax law program and this issue.