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☛ Informational hearing: Managed Forest Law practice backlog

(FORM UPDATED: 08/11/2010)

## WISCONSIN STATE LEGISLATURE ... PUBLIC HEARING - COMMITTEE RECORDS

### 2011-12

(session year)

### Assembly

(Assembly, Senate or Joint)

### Committee on Forestry...

#### COMMITTEE NOTICES ...

- Committee Reports ... **CR**
- Executive Sessions ... **ES**
- Public Hearings ... **PH**

#### INFORMATION COLLECTED BY COMMITTEE FOR AND AGAINST PROPOSAL

- Appointments ... **Appt** (w/Record of Comm. Proceedings)
- Clearinghouse Rules ... **CRule** (w/Record of Comm. Proceedings)
- Hearing Records ... bills and resolutions (w/Record of Comm. Proceedings)
  - (**ab** = Assembly Bill)                      (**ar** = Assembly Resolution)                      (**ajr** = Assembly Joint Resolution)
  - (**sb** = Senate Bill)                              (**sr** = Senate Resolution)                              (**sjr** = Senate Joint Resolution)
- Miscellaneous ... **Misc**

\* Contents organized for archiving by: Stefanie Rose (LRB) (July 2013)

Gary, Tim

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**From:** DeLong, Paul J - DNR [Paul.DeLong@Wisconsin.gov]  
**Sent:** Sunday, March 04, 2012 10:07 PM  
**To:** Gary, Tim; Rep.Mursau  
**Subject:** FW: Timber Sale Data (MFL, State & County Forest)  
**Importance:** High  
**Attachments:** Mursau - Public Lds TS narrative 1-12.doc; Public Lands TS data CY09-11 Mursau.xls; PUBLIC T.SALES CY95-2011.xls; Pre 2011 Mandatory Practices.xls; Mursau - 2011 MFL Practices narrative.doc

Attached are several files that address the issues you raised in your e-mail below. We wanted to get this to you in advance on the hearing so that you can share it with the committee.

Thanks.

Paul

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**From:** Gary, Tim  
**Sent:** Friday, December 23, 2011 1:40 PM  
**To:** DeLong, Paul J - DNR  
**Cc:** Bruhn, Michael L - DNR  
**Subject:** Timber Sales and Backlogs

Paul,

On occasion throughout the past decade, the legislature in general and the chairmen of the Assembly Committee on Forestry in particular have enjoyed looking at timber sale statistics on both public and private lands.

**MFL**

Can you please provide Chairman Mursau with an update on the number of overdue MFL practices and the average amount of time they are overdue? It would be helpful if the information was accompanied by regular data points since the 2004 changes to MFL and the 2005 elimination of free plans.

**State Lands**

Can you please provide Chairman Mursau with an update on the number of acres, cords (and/or board feet) and land types for lands under the control of the Division of Forestry and the Division of Land that are overdue for timber harvest?

**State and County Forests**

Can you please provide Chairman Mursau with an update on 2009, 2010 and 2011 (when ready) timber harvest data for State and County Forests?

Have they been coming within plus or minus of ten percent? If not, what recommendations have been made to the DNR by the Council on Forestry?

In 2005, it was estimated that there was probably about a \$100 million backlog of timber harvests on State lands. Is it possible to get a similar estimate from DNR at the end of 2011?

Chairman Mursau understands the dynamic nature of the wood market. Please include the nature of the market's impact on the ability to complete timber harvests and the existing backlog.

If you believe that some of this requested information will become available through the natural course of the Division's work within the next six months, please feel free to notify the Chairman of that and I am confident he will be satisfied to wait for such data in the DNR's own due course.

Rest assured that Chairman Mursau does not need these items before the new year begins and you should prioritize this request as less than urgent at the moment.

Happy Holidays and Merry Christmas to you, your families and all the good folks working in your Division and Department.

Cheers,

**Tim Gary**

Wisconsin State Assembly

Office of **Representative Jeff Mursau**

36th Assembly District, Research Assistant

**Committee on Natural Resources**, Clerk

**Committee on Forestry**, Clerk

## **Public Lands – Timber Sale Accomplishments CY2009-2011**

(To accompany spreadsheet “Public Lands TS data CY09-11 Mursau” and “Public Forest Timber Sales CY1995-2011”)

### **State Lands**

***Can you please provide Chairman Mursau with an update on the number of acres, cords (and/or board feet) and land types for lands under the control of the Division of Forestry and the Division of Land that are overdue for timber harvest?***

The attached spreadsheet has two worksheets that will show the “overdue” timber sales by DNR program. It is important to understand what exactly an overdue timber sale is. Typically referred to as a backlogged sale, these are areas that were scheduled to be evaluated for harvest (by the forester) prior to the current year. Areas scheduled for harvest evaluation result in a timber sale most of the time but there are times when the stand does not grow / develop as anticipated. In these cases the forester updates the recon information and sets a new date to evaluate that area for possible harvest. These are called “deferred” acres and they also contribute to the harvest establishment accomplishments on any given year. The attached spreadsheet will show both the actual acres established for sale and these deferred acres.

To determine the *potential* cords and revenue from these backlogged practices the most current year's public land sales were averaged. An average acre resulted in 17.21 cord equivalents harvested with a value of \$36.27/cord equivalent or slightly more than \$624 / acre harvested. Again, this would be assuming that all of the scheduled practices resulted in a timber sale which is unlikely. Another factor to consider is the forest type of the backlogged practice. It is very common to have timber sales backlogged on wetland types such as swamp hardwood, cedar, swamp conifer, black spruce, tamarack and bottomland hardwood. These types, while still included in the harvest scheduling, are very difficult to market for sale. Very specific frozen ground conditions are needed in many of these areas. These conditions may be met only once every few years so the backlog of wetland species contributes to overstating the immediate potential of backlogged practices. On State land sales wetland types account for approximately 15% of the backlog.

In addition, efforts are underway on non-State Forest state lands (e.g., Wildlife Areas, Fishery Areas, State Parks, Natural Areas, to ensure that Master Plan direction is carried over into the Recon database to more accurately reflect just which stands should be considered for harvest. The department believes the long term harvest goal reflected in the current Recon is somewhat inflated for these lands.

With these caveats, the backlog of *potential* State land timber harvests currently totals:

- 93,300 acres
- \$58,000,000 in stumpage revenue
- 1.6 million cord equivalents

### **State and County Forests**

***Can you please provide Chairman Mursau with an update on 2009, 2010 and 2011 (when ready) timber harvest data for State and County Forests?***

Completed timber sale harvest data is totaled in the attached spreadsheet titled “Public Forest Timber sales CY1995-2011”.

***Have they been coming within plus or minus of ten percent? If not, what recommendations have been made to the DNR by the Council on Forestry?***

This question references the Act 166, Healthy Forest benchmark to establish timber sales within 10% of the allowable harvest levels (long term harvest goals). This information is summarized on the worksheet titled Public Summary. For CY09-11

- State Forests (515,000 acres – Div. of Forestry) - averaged 119% of their long term harvest goal over the 3 years. They have purposely been accelerating harvest to try to get at backlogged harvest practices. This has been very successful, having cut their backlog from over 93,000 acres back in 2005 to the current backlog of 27,725 acres. Harvests over the long term harvest goals are permissible and sustainable in that they are only addressing backlogged practices.
- Other State Lands (~1.1 million acres – Div. of Land primarily) – averaged 64% of long term harvest goals. As mentioned on the previous page, efforts are underway to ensure that Master Plan direction is carried over into the Recon database to more accurately reflect just which stands should be considered for harvest. Some stands are purposely excluded from harvest (ecologically sensitive, endangered & threatened species, aesthetics, etc. in the Master Plan) and in some cases those stands have not been excluded from harvest scheduling in the Recon database. Therefore, the department believes the long term harvest goal is somewhat overstated for these lands. Great strides have been made on these lands but there still is some work that remains, both to develop a more precise figure regarding acres under management, and to complete management consistent with master plans.
- The total for all State lands combined (State Forests & Other State lands) is 89% of long term harvest goal for CY2009-11.
- County Forests (2.35 million acres) – averaged 98% of long term harvest goals. County Forests have been quite close to their long term harvest goals for several years. There remains a backlog of harvests on a few of the forests however. Collectively, the wetland types including swamp hardwood, cedar, black spruce, tamarack and swamp conifers account for 1/3 of the backlog.

***In 2005, it was estimated that there was probably about a \$100 million backlog of timber harvests on State lands. Is it possible to get a similar estimate from DNR at the end of 2011?***

Based on the assumptions and caveats stated above, the potential stumpage revenue attributed to backlogged harvests on State lands would now be approximately \$58 million.

***Chairman Mursau understands the dynamic nature of the wood market. Please include the nature of the market's impact on the ability to complete timber harvests and the existing backlog.***

The markets have held up relatively well. Most thankfully, they were able to handle a great deal of salvaged wood stemming from the July 2011 blowdown in northwest Wisconsin. Much of this was softwood timber. The work that went into getting these areas salvaged, both by the foresters and logging contractors, is noteworthy. Some work remains but a remarkable amount of wood has been salvaged to date. Nearly all public land sales continue to sell.

**Managed Forest Law – Status of Mandatory Harvest/Thinning as of January 2012** (To accompany spreadsheet “Pre 2011 Mandatory Practices”)

***Request: Can you please provide Chairman Mursau with an update on the number of overdue MFL practices and the average amount of time they are overdue? It would be helpful if the information was accompanied by regular data points since the 2004 changes to MFL and the 2005 elimination of free plans.***

The spreadsheet contains four tabs: “Pre 2011 Man Practices-Summary”, “All Order Entry Years”, “2004 and Earlier Detail” and “2005 and Later Detail”.

**Pre 2011 Mandatory Practices-Summary:** Provides an individual summary table for each of the other three spreadsheets.

- 1.) The top table labeled “Statewide-All Order Entry Years” shows all MFL participants (Orders effective 1/12010) who currently have a mandatory timber harvest or thinning which is not yet established for sale. Landowners who entered lands into MFL effective 1/1/2011 that have a mandatory practice scheduled for the first year (2011) of the Order are not included since the data provided was collected from our field foresters in early January 2012.
- 2.) The middle table “Statewide Order Entry Years 2004 and Earlier” shows the mandatory harvest or thinning which have not yet been established for MFL lands enrolled between 1986 -2004.
- 3.) The last table “Statewide Order Entry years 2005 and Later” shows the mandatory harvest or thinning which have not yet been established for MFL lands enrolled between 2005 – 2010.

Standard procedure for an MFL participant with a mandatory harvest/thinning is described in the table below as follows: The example is for a **mandatory practice scheduled for 2011**.

IN COMPLIANCE		OUT OF COMPLIANCE
2010	2011	Jan. 1, 2012 (during 2012)
1st Notification to Landowners (spring)	2nd Notification to Landowners (spring)	Initiate 1st step of enforcement. DNR determines status of practice, offers to establish sale if no Cooperator has picked this work up.
Official Referral to Cooperating Foresters	Landowner is again on referral list	Continue with 2nd step of enforcement.
Practice Due Dec. 31, 2011	Practice Due Dec. 31, 2011	Continue with 3rd step, including NOI and certification for non-compliance fee.

**All Order Entry Years:** Lists spreadsheet details the landowner information which is sorted by year the practice is due and then by the county the MFL Order is located in. Acres are sub-totaled by year and county. The bottom contains a summary table of the entire worksheet.

**2004 and Earlier Detail:** This spreadsheet shows a subset of the “All Order Entry Years”, those mandatory practices not completed on lands enrolled in MFL from 1986 to 2004. The bottom contains a summary table of the entire worksheet.

**2005 and Later Detail:** This spreadsheet shows a subset of the "All Order Entry Years", those mandatory practices not completed on lands enrolled in MFL from 2005 to 2010. The bottom contains a summary table of the entire worksheet.

General Conclusions:

- Backlog harvest/thinning practices average less than 2 years old. All mandatory harvest/thinning practices have been referred to private consultant foresters but are not taken off our list as being past due until the timber sale is established in the field and an approved Cutting Notice is on file at the local foresters office. If a Cooperating Forester or logger has agreed to do the timber sale but has not sent in an approved MFL Cutting Notice, it still shows as past due in our system and thus on these spreadsheets.
- A certain number of practices are much older, including one up to 13 years old. An explanation of those practices 11 years or more past due is included as a red comment tab in the box. All practices (old or new) have been referred to consultant foresters, if a consultant foresters or logger can not be found by the landowner to do the practice, the DNR will establish the timber sale and assist the landowner with trying to sell the timber sale. The vast majority of older uncompleted practices are difficult to sell due to any number of reasons, including: small volume, difficult access, poor quality timber, winter only harvesting restrictions, small isolated sale, steep terrain, etc.
- There is no discernable difference between the 2004 and earlier MFL entry years, and the 2005 and later entry years. The larger number of backlog practices in 2004 and earlier is a result of more years and practices associated with this time frame versus the 2005 and later time frame.





Statewide-All Order Entry Years

Years Past-Due	Number of Practices	Percentage of Total Past-Due Practices	Acres Past-Due
1	1,541	63.34%	22,522
2	389	15.99%	5,532
3	235	9.66%	3,398
4	106	4.36%	1,491
5	70	2.88%	988
6	52	2.14%	612
7	12	0.49%	188
8	10	0.41%	135
9	9	0.37%	138
10	2	0.08%	28
11	3	0.12%	37
12	3	0.12%	55
13	1	0.04%	21
	<b>2,433</b>	<b>100.00%</b>	<b>35,145</b>

Average Number of Years Past-Due: 1.83

Statewide-Order Entry Years 2004 and Earlier

Years Past-Due	Number of Practices	Percentage of Total Past-Due Practices	Acres Past-Due
1	1,111	65.74%	16,178
2	241	14.26%	3,359
3	131	7.75%	1,969
4	81	4.79%	1,111
5	43	2.54%	617
6	43	2.54%	477
7	12	0.71%	188
8	10	0.59%	135
9	9	0.53%	138
10	2	0.12%	28
11	3	0.18%	37
12	3	0.18%	55
13	1	0.06%	21
	<b>1,690</b>	<b>100.00%</b>	<b>24,313</b>

Average Number of Years Past-Due: 1.85

Statewide-Order Entry Years 2005 and Later

Years Past-Due	Number of Practices	Percentage of Total Past-Due Practices	Acres Past-Due
1	430	57.87%	6,344
2	148	19.92%	2,173
3	104	14.00%	1,429
4	25	3.36%	380
5	27	3.63%	371
6	9	1.21%	135
	<b>743</b>	<b>100.00%</b>	<b>10,832</b>

Average Number of Years Past-Due: 1.79

# MFL Mandatory Practices

