

Enhancing Assistance to Wisconsin's Private Forest Landowners



OUTCOMES

Champion: John G. DuPlissis
Lead Facilitator: Darrell Lochner
Total number of participants: 38

Key Issues

- 272,000 non-industrial private landowners own 57% of Wisconsin's forestland. It is increasingly difficult to provide professional forest management assistance to these landowners.
- Many of these landowners are from urban areas. They tend to be less knowledgeable about sustainable forest management practices and more likely to be absentee landowners.
- Fewer than 30% of private landowners have a management plan or receive professional management assistance.

Summary of Recommended Action:

Recommended actions, timeframe, indicators of success, perceived obstacles/barriers and resources, are grouped by the four breakout session topics:

- I. Private Forestry Assistance
- II. Forest Certification
- III. Property Taxes
- IV. Changing Forest Land Owners Demographics

I. Private Forestry Assistance

Action #1: Create a centralized point of contact for forestry information. Create a position that would serve as a point of contact (1 – 800 – FORESTRY) where woodland owners can go for relevant, science – based information.

Committed or targeted Individuals/organizations: WDNR, UW – System (Extension), Woodland Owner Organizations, Environmental Organization, Non-governmental Organizations

Timeline: 12 months

Indicators of success

- Point of contact is established

Perceived obstacles/barriers

- Ownership / location of position
- Funding

Resources needed to achieve action

- Commitment by agencies and organization to support concept
- Funding

Action #2 Use new approaches to market forestry. Develop a comprehensive strategy designed to appeal to woodland owners who do not participate in forest management activities or existing programs or organizations because of philosophical difference or stereotypic views of forest management.

Committed or targeted Individuals/organizations: WDNR, UW – System (Extension), Woodland Owner Organizations, Environmental Organization, Non-governmental Organizations

Timeline

- Bring together planning group to develop strategy (6 months)
- Develop and implement market research (12 months)
- Gather results and produce report (18 months)
- Develop and implement trial (24 months)
- Evaluate success (36 months)

Indicators of success

- Recommendations implemented according to proposed timeline.

Perceived obstacles/barriers

- Partnership
- Funding
- Ownership of results
- Responsibility for implementation

Resources needed to achieve action

- Commitment by agencies and organization to support and implement concept
- Funding

There were several other ideas put forward by the group to reach out to woodland owners who are interested in woodland management but are not addressed by any of our traditional programs or organizations. They include:

- 1) Work with the Natural Resources Conservation Service (NRCS) to include forest stewardship planning as a part of “Whole Farm Plans.” It is recommended that the DNR

work with NRCS to hire a State Forester to develop and implement this recommendation and coordinate with NRCS Service Centers throughout the state.

- 2) It is recommended that the University of Wisconsin System, Cooperative Development Services and others in cooperation with the DNR conduct research into success and failure of wood cooperatives in order to target education and funding into areas with greatest chance of success. The goal would be to help promote trust in cooperatives as an alternative to traditional forest management.
- 3) There has been a lot of discussion around developing a system to pay woodland owners for ecologic services that their woodlands provide. Ideas like payments for carbon sequestration tied to the Kyoto Accords would be an example of this. However, the goal would be to expand it to payments for all ecologic services (clean air and water, aesthetic or scenic beauty, wildlife habitat), especially those where there are voluntary or required best management practices that landowners must follow.
- 4) Similarly, the group recommends that the DNR work with federal agencies that administer the Farm Bill to access funding available for woodland management. Although the Farm Bill provides money for forest management activities this money is not available to woodland owners due to structural impediments in the program.

II. Forest Certification

Action #1: Develop a program for private landowners to participate in a forest certification program. The cornerstone of any program should create ways to lower the cost to woodland owners and provide market incentives for participation; market sustainable forest management; educate the public on consumer choices; provide financial and technical assistance for group certification by organizations and cooperatives.

Discussion: While the DNR is currently pursuing group certification for MFL participants there is a need to provide woodland owners with more than one option. Certification programs are at their heart a means to recognize sustainable forest management by woodland owners. However, there are real differences between existing forest certification programs. It is recommended that the DNR work with agencies, industry, organizations and cooperatives who are interested in offering group certification through one of these other systems to address the needs of woodland owners who are interested in certification of sustainable forest management but are distrustful of traditional forest management systems or hold a stereotypical view of traditional forest management systems or organizations.

Develop Partnerships between groups

- 1) Encourage consulting foresters to work with landowners
 - a) Provide incentives to become proxy managers
- 2) Tie certified/master loggers into system
 - a) Provide short-term financial support until market catches up
- 3) Strengthen UW-extension systems
- 4) Forest industry and landowners association

- 5) Establish a database/index of certified lands and loggers
- 6) MFL and Stewardship certification cooperation
 - (1) Between landowners and certification program.

Timeline

- Need to take advantage of “window of opportunity” by Warners, Inc. ?
- Set short-term time goal coordinating w/ the 2006 deadline by Warners
- Set deadlines to establish a sense of urgency
- Specific goals (acreage) needed to help guide actions

Indicators of success

- Governor’s Council should develop some goals and establish periodic evaluations
- 80% by 2006

Perceived obstacles/barriers

- Legislative problems / resistance from state governmental officials
- Reluctance to participate by landowners for fear of governmental control on lands
- No real market incentive yet
- Competing markets w/ cheaper wood from other states/countries
- Most landowners don’t want to / need to manage land for timber – don’t see benefits
- Costly for landowners in general
- Misconception of “sustainable” forestry in public
- No enforcement for tax breaks
 - Unbalanced between farmers, non-farmers, etc
 - Uneducated public as to the benefits of healthy forests
 - General public (non land owners) sees little benefit Partnership
- Funding
- Ownership of results
- Responsibility for implementation

Resources and Legislation needed to achieve action

Resources needed

- Money/Financial support
- Educational programs both for landowners, loggers, industry, and K-12 programs
- Technical advice / services offered for landowners participating in program
- Landowners themselves (within their community)
- Government (Federal, State, Local, S&PF, etc)
- Operational support for groups (staff, materials, etc)

Legislation needed

- Develop statutes recognizing/legitimizing concept of certifications & hierarchy
- Possibly tweak MFL to include sustainable forestry goals
- Review NR 1.21 to include priorities and certification procedure of sustainability
- State procurement / sustainable products plan
- Balance tax breaks for non-agricultural owners

Summary: If forest certification is to be successful in the long run then there must be an educational effort tied to it to help the public understand what certification and sustainable forest management actually mean. To date the primary motivator for certification has been business to business demand as opposed to market forces driven by consumption. It has been assumed that markets would encourage woodland owners to seek certification due to higher prices paid for certified wood. This has not been the case. Therefore, it is recommended that the University of Wisconsin system working with the DNR and in cooperation with other interested agencies, industry, organizations and cooperatives develop a program to educate and inform the public on these issues as well as develop a message on consumer choices.

III. Property Taxes

Action #1: It is recommended that the Governor appoint a Task Force to conduct a comprehensive study of taxation of lands based on use value assessment to protect natural resources of the state. The goal would be to devise a property tax system that would remove social and structural impediments to participating in a forest tax law program, encourage conservation and stewardship of Wisconsin's natural resources and encourage the maintenance of large blocks of contiguous forest.

Discussion: Wisconsin has a long history of encouraging the sustainable management of privately owned forestland through property tax relief programs that reduce annual payments and defer some of the tax burden until income is received from a harvest. During the 1920's it became apparent that forest landowners were being forced to liquidate the timber on their forestlands to pay their property taxes. Traditional property tax systems tax forestlands based on the value of standing timber. However, forestland owners only receive income when timber is harvested and must carry the cost of investments and property taxes until a harvest. This resulted in the premature and destructive harvest of timber by landowners who needed money to pay their property taxes.

Anecdotal evidence suggests that woodland owners face a similar situation today. It is common to hear stories from woodland owners who have been forced to parcelize their property to pay their property taxes. While the Managed Forest Law provides property tax relief to woodland owners there are economic, social and structural impediments that prevent woodland owners from participating in this program.

Committed or targeted Individuals/organizations: Agricultural commodity and interest groups, Department of Agricultural and Consumer Protection, Department of Revenue, Department of Natural Resources, Land trust community, Business community, Municipalities and local governments

Timeline: By January 1, 2007 for the 2008 fiscal biennium

Indicators of success

- Appointment of Task Force by Governor
- Task Force recommendations presented to the Governor by January 1st, 2007
- Recommendations address
 - Fairness

- Resource protection
- Sustainable management

Perceived obstacles/barriers

- Legislative problems / resistance from state governmental officials

Resources needed to achieve action

- Operational support from agency staff (funding, staff, materials, etc)
- Operational support for industry, organizations, and affected groups (funding, staff, materials, etc)

Action #2: Given the value of working forest easement to maintain large blocks of contiguous forests in family forest ownership it is recommended that the DNR in cooperation with the Department of Revenue develop and implement some system of property tax assessment that reduces the tax on properties with conservation easements (based on the restrictiveness of the easement).

Discussion: There was real concern from the Land Trust community regarding property tax assessments on woodland properties with conservation easements. Although there are guidelines for assessors to follow on the valuation of properties with conservation easements it was the testimony of those attending that the great majority of woodland owners with working forest easements are still paying full property taxes.

Committed or targeted Individuals/organizations: Department of Revenue, Department of Natural Resources, Land trust community, Municipalities and local governments

Timeline: By January 1, 2007 for the 2008 fiscal biennium

Indicators of success

- Formation of working group to address this recommendation
- Development and implementation of work group recommendation

Perceived obstacles/barriers

- Legislative problems / resistance from state and local governmental officials

Resources needed to achieve action

- Operational support from agency staff (funding, staff, materials, etc)
- Operational support for industry, organizations, and affected groups (funding, staff, materials, etc)

Comments:

- There is not a one size fits all approach to this problem.
- Additional partners need to be brought to the table on this issue.
- Any solutions must consider unintended consequences to other users and to land use.

Action #3: Related to the above issue it is also recommended that the DNR work with agency, industry, organizations and the Land Trust community create a forest landowner incentive fund to cost-share the transaction costs of setting up conservation easements.

Committed or targeted Individuals/organizations: Department of Natural Resources, Land trust community, Woodland owner organizations, Cooperatives

Timeline: By January 1, 2007 for the 2008 fiscal biennium

Indicators of success

- Formation of working group to address this recommendation
- Inclusion of cost-share items docket for Wisconsin Forest Landowner Grant Program

Perceived obstacles/barriers

- Legislative problems
- Resistance from agency staff

Resources needed to achieve action

- Operational support from agency staff (funding, staff, materials, etc) to develop program guidelines
- Operational support for industry, organizations, and affected groups (funding, staff, materials, etc) to implement program guidelines

Comments

- Fund through mill tax dollars
- Similar to Lake Management and Lake Planning Grants
- Possible link to state Forest Legacy Program

IV. Changing Forest Land Owners Demographics

Action #1: Traditional methods of education and outreach that have worked for us in the past are unlikely to continue to serve us well in the future. Therefore, it is our recommendation that a systematic survey (market research) be developed to better understand who these new family forest owners are. What kinds of education and outreach programs and materials will be most effective to meet their needs?

Discussion: Today, forested parcels are more likely to be purchased by people who have different values than the forest owner of the past. Based on research from around the Lake States region we know that these new owners, unlike agricultural or rural owners of the past owned forest and used it primarily to supplement his income, purchase woodland properties for primarily recreational use or aesthetic values. These new family forest owners tend to be more cautious about harvesting their timber, less knowledgeable about rural areas and the forest they've moved to, wealthier than past owners, and more likely to be absentee landowners.

Committed or targeted Individuals/organizations: Department of Natural Resources, Private Forest Lands Team, University of Wisconsin system, Woodland owner organizations, Cooperatives, Environmental / Wildlife habitat conservation organizations

Timeline

- Move this item to the Private Forest Lands Team agenda (6 months)
- Work with contractor to develop and implement survey instrument (18 months)
- Quantify data and produce report (24 months)
- Implement report finding (36 months)

Indicators of success

- Private Forest Team create work group to implement recommendation
- Contractor hired to develop and implement survey
- Final report produced
- Agency, institution, organizations implement education and outreach programs based on report finding.

Perceived obstacles/barriers

- Funding
- Partner cooperation
- Resistance from agency staff

Resources needed to achieve action

- Operational support from agency staff (funding, staff, materials, etc) to develop recommendation
- Operational support for industry, organizations, and affected groups (funding, staff, materials, etc) to implement recommendation

Comments

- Local efforts are best
- Need to form a consortium of interested parties.
- Fund through mill tax dollars
- The Division of Forestry's Private Forest Lands Team would be the natural fit to move this recommendation forward
- Funding for this research and education programs could come from the mill tax, a transaction cost on land sales, or leveraging existing Forest Service funds.

Facilitator's comments

- Clearly the group was focused on the need to connect with new forest land owners, primarily those with limited experience and understanding of forest land management. Significant issues of interest related to this topic which the group spent time discussing included:
 - developing effective ways to locate new owners in a timely manner
 - preparing effective messages
 - determining how best to deliver educational materials and information
 - Who would have a role in outreach activities?
 - ensuring that there is some overall coordination for outreach activities

- providing ongoing resources for private forest owners

Action #2: Based on the previous recommendation it is also recommended that the DNR working with the University of Wisconsin system and in cooperation with other interested agencies, industry, organizations, cooperatives and local government develop a system to identify new family forest owners through tracking land transactions.

New landowners tracked through such a system would receive selected material designed to be of interest to novice woodland owners. Therefore it is recommended that the DNR working with the University of Wisconsin system and in cooperation with other interested agencies, industry, organizations, and cooperatives develop a pilot project to target education and outreach to the new woodland owners identified through the tracking of land transactions.

Committed or targeted Individuals/organizations: Department of Natural Resources, Private Forest Lands Team, University of Wisconsin system, Woodland owner organizations, Cooperatives, Environmental / Wildlife habitat conservation organizations, County Land Conservation and Treasurer's Department

Timeline

- Move this item to the Private Forest Lands Team agenda (6 months)
- Identify counties that have a system capable of tracking the sale of woodland properties (18 months)
- Develop a package of material designed to be of interest to novice woodland owners (18 months)
- Implement program (24 months)
- Evaluate program success via a survey recipients, quantify data and produce report (48 months)

Indicators of success

- Private Forest Team create work group to implement recommendation
- Identify five counties to implement pilot project
- Implement program
- Evaluate
- Final report produced

Perceived obstacles/barriers

- Funding
- Partner cooperation
- Resistance from agency staff

Resources needed to achieve action

- Operational support from agency staff (funding, staff, materials, etc) to develop recommendation
- Operational support for industry, organizations, and affected groups (funding, staff, materials, etc) to implement recommendation

General Comments

- Fund through mill tax dollars
- The Division of Forestry's Private Forest Lands Team would be the natural fit to move this recommendation forward

Facilitator's comments

- The group would like to see an outreach pilot program developed in several counties to test different approaches and measure what is effective in reaching new forest land owners. Although this wasn't stated, I suspect that measuring the success of this outreach in terms of land owner responses would also be important. The group would like to have adequate state resources for the pilot and include as an element of the effort up to date market research to support outreach development.
- There was agreement that more foresters are needed. Disagreement on whether emphasis should be on public or private assistance. However, there was consensus that we need more "dirt foresters".
- There are two parallel processes underway that are designed to directly address this issue. The Private Forestry Study Review Team will be submitting its report shortly and the DNR is in the process of developing a Certified Plan Writer program to address inconsistencies in the development of Managed Forest Law plans across the state.
- Develop a parallel program to MFL for non-commodity forest values. This was an item that was taken up by several group with a recommendation made for a similar program.

Partnerships Forged

There was a sense that this forum provided the basis for future partnerships and that participants were interested in continuing to work together. However, for those partnerships to emerge someone will need to take the lead in bringing the participants together again. One of the best examples is bring the need to property tax issues related to conservation easements. Land Trusts are a new partner that many had not thought of previously. Possibly new partnerships will form with UW-systems, DNR employees, industry executives, co-ops, private foresters, politicians/Council members, Real-Estate agencies, local municipalities / governments, citizens, loggers, etc.

Summary:

I thought that we accomplished much more than we thought we would and yet in some ways much less than we had hoped for. The session was a fruitful beginning on what needs to be a continuing conversation. Many good ideas were generated but the limited time prohibited the development of comprehensive action plans. I thought that we accomplished much less because I had hoped that we would build coalitions and reach agreement on organizations that would be willing to participate and move these recommendations forward with a specific commitment of resources to achieve these goals. Enhancing assistance to Wisconsin's Private Woodland Owners is a large and somewhat nebulous task. As we discovered in our theme team meeting and later at the conference there are many people who have a stake in the issues related to this theme and each has a different perspective and sometimes language. It has been a common theme as I have sought feedback from my leadership team and participants that they look forward to continuing dialogue to move these recommendations forward.

At this point I am looking forward to seeing which of these recommendations have merit in the eyes' of the Council on Forestry. Depending on the outcome of the Council's deliberations I am hoping to pull my leadership team together to begin the process of putting these recommendations into action.

Overall, I thought that we made a good start. I think the following quotes from the participants and recorders describe my thoughts about the process and how things worked.

“The session went very smoothly, although in the beginning, the break out sessions seemed to spend more time disputing definitions and general concepts, than working toward actual solutions or confronting the current problems. The progress therefore started out very slowly, but the break out group that I was part of, towards the end, discussed many relevant ideas and managed to devise several very interesting solutions.”

“I felt the session was a success, and that some very relevant ideas and solutions were discussed. If nothing else, it refreshed the topic in everyone's mind.”

“I thought that we accomplished much more than we hoped because participants left the session feeling that real work had been accomplished, issues had been aired and addressed and a plan was in place to move forward on these issue.”