

DNR Division of Forestry 2008 Legislative Outcomes

Capital Improvement Appropriations (Final language in House File 380)

- **Forest Land and Forest Legacy Conservation Easements—\$3,000,000.** To acquire conservation easements on private forest lands and within Forest Legacy areas. The conservation easements must guarantee public access, including hunting and fishing.
- **State Forest Land Reforestation—\$3,000,000.** To increase reforestation activities on state lands, including planting, seeding, site preparation, and purchasing native seeds and native seedlings.
- **Forest Roads and Bridges—\$1,000,000.** For reconstruction, resurfacing, replacement, and construction of state forest roads and bridges.
- **Diseased Shade Tree Removal and Replacement—\$500,000.** For grants to cities, counties, townships, and park and recreation boards in cities of the first class for the identification, removal, disposal, and replacement of dead or dying shade trees located on public property that are lost to forest pests or disease.

Supplemental Budget Items (Final language in House File 1812)

- **\$53,000** is appropriated for the Minnesota Forest Resources Council to conduct a study of options and make recommendations to the Legislature for addressing the fragmentation and parcelization of large blocks of private forest land in the state. This is a one-time appropriation.
- **\$197,000** is for a grant to the University of Minnesota for the Interagency Information Cooperative to develop a common forest inventory format describing key attributes of Minnesota's public forest land base, growth models for managed forest stands, a forest wildlife habitat model format, and an information database on the state's family forest ownership.
- Language is amended in the Laws of 2007, Chapter 57, Article 1, Section 4, Subdivision 4 to broaden the specific use of two appropriations to include all "forest management activities." This will allow the DNR to have more flexibility on what forest management activities are covered in Fiscal Year 2009 by the \$1,000,000 and \$200,000 appropriations affected by the language changes. This is important because of the anticipated reduction of revenue coming into the Forest Management Investment Account.
- There are department reductions that will affect the division, but it is not known yet how much this will "cost" the division and the impact they will have to division programs and activities.

Policy Initiatives

- **Minnesota Forests for the Future Program** (Final language in Senate File 2651 and Senate File 3056)—This program is established to protect private forest lands throughout the state that provide exceptional value in three core areas: timber productivity, public recreational access, and ecological and wildlife values. The program will protect such forested areas primarily through the use of easements that will prevent development and conversion of forest land, while allowing landowners to manage the forest sustainably for

timber and other forest products. Public recreation and other forest uses compatible with protecting the conservation values of the property will also be allowed. Besides easement acquisition, interests in lands under the program may be acquired by fee title, gift, or donation.

- **Forests for the Future Revolving Account** (Final language in Senate File 2651 and Senate File 3056)—A Forests for the Future Revolving Account is created in the Natural Resources Fund. Money in the account is appropriated to the commissioner of Natural Resources for acquiring forest lands that meet the eligibility criteria outlined in the Minnesota Forests for the Future Program. The commissioner must sell these acquired lands, subject to an easement as provided by the Minnesota Forests for the Future Program. Revenue from the sale of these forest lands is to be deposited in this account. A report must be prepared by October 1 of each year that shows all purchases of forest land using money from this account and sales of forest land for which revenue is deposited into the account. This initiative creates the account but no “startup” funding was appropriated.
- **Alternative Recording for State Forest Roads** (Final language in Senate File 2651 and Senate File 3056)—Minnesota Statutes 2006, § 89.715 is amended to clarify the process used to establish the state’s claim of use of forest roads for forest management and public recreation and access purposes. The process that property owners can use to appeal those portions of recorded state forest road maps affecting them is also more clearly defined.
- **Campfires** (Final language in Senate File 3056)—Minnesota Statutes 2006, § 88.15, subdivision 2 (Campfires not to be left burning) is amended to say that in addition to a person who starts a campfire being responsible for it, a person who maintains the campfire is also responsible for preventing it from spreading and extinguishing it before leaving the site. “Maintains” is defined as tending or adding substantial fuel to a campfire with the effect of extending the life of the campfire.
- **Timber Permit Extension** (Final language in Senate File 2651)—Minnesota Statutes 2006, § 90.151, subdivision 1 is amended to allow the commissioner of Natural Resources to grant an additional five-day extension to the purchaser of a timber permit for signing the permit and returning it to the DNR and for paying the balance of his/her bid guarantee. The amended language applies retroactively to permits dated January 1, 2008, and thereafter.
- **Expedited Land Exchanges** (Final language in House File 1812, Senate File 2651, and Senate File 3056)—Allows the DNR to expedite land exchanges with counties that involve forest lands. The DNR and counties will now be able to evaluate the relative values of areas to be exchanged without conducting extensive and costly appraisals. In addition, title insurance can now be used instead of requiring the attorney general to conduct expensive abstract reviews, thereby further reducing the costs of land exchange. Because the purpose of the land exchange is to improve timber management by both the DNR and counties, the critical factor to consider in this new process is whether the timber values are equivalent (not necessarily whether land values are the same) in any land exchanges that are made.
- **Forest Management Investment Account Unallotments; Fiscal Years 2008 and 2009** (Final language in Senate File 2651)—The commissioner of Natural Resources is required to notify the chairs and ranking minority members of the House and Senate

Environment and Natural Resources Finance divisions of any proposed allotment reductions from the Forest Management Investment Account (FMIA) 30 days prior to taking action on the reductions. The commissioner must also provide quarterly FMIA revenue forecasts, including a report on the methodology used in calculating the forecasts.

- **Additions to Birch Lakes State Forest** (Final language in Senate File 2651)—Land will be added to the Birch Lakes State Forest in Stearns County to better manage the forest and to provide additional protection to natural resources located on the added lands.
- **Permanent School Fund Advisory Committee** (Final language in Senate File 3056)—The advisory committee's membership is expanded to include more legislative committee representatives and people with areas of expertise in forestry, minerals and mining, real estate development, renewable energy, finance and land management, and natural resource conservation who will be appointed by the commissioner of Natural Resources. The duties of the committee are also expanded to include the development of a legislative report that recommends how school trust lands can be managed to secure long-term economic return for the permanent school fund. The report is due by January 15 of each year.

Omnibus Tax Bill (Final language in House File 3149)

The bill:

- Retains the 0.65 percent class rate for woodlands managed under a plan that meets Sustainable Forest Incentive Act (SFIA) standards, but not enrolled under the SFIA.
- Raises the minimum acreage eligible for the 2c class rate to 20 acres (from 10 acres), consistent with current forest stewardship management plan standards.
- Eliminates the requirement for landowners to annually apply to the assessor and makes the DNR responsible for informing assessors whether the applicant meets the management plan standards.
- Exempts woodlands under the 2b and 2c classifications from being classified as to their highest and best use.