

Legislative Analysis



HEALTHY FOREST INITIATIVE

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House Bill 5552

Sponsor: Rep. David Palsrok

House Bill 5553

Sponsor: Rep. Rich Brown

House Bill 5554

Sponsor: Rep. Tom Casperson

Committee: Agriculture and Resource Management

Complete to 2-27-04

A REVISED SUMMARY OF HOUSE BILLS 5552-5554 AS INTRODUCED 2-17-04

The three bills form the Michigan Healthy Forest for the 21st Century initiative to establish sustainable forestry rules (House Bill 5554), enhance the Michigan Forest Finance Authority (House Bill 5552), and establish pilot project areas for sustainable forest management in the state (House Bill 5553). The three bills are tie-barred to each other.

House Bill 5552

The bill would amend Part 505 (Michigan Forest Finance Authority) of the Natural Resources and Environmental Protection Act. Part 505 establishes the Michigan Forest Finance Authority, which is authorized to acquire standing timber, timber cutting rights, and the state's interest in contracts granting cutting rights on state tax revered lands and on other state forestland. The authority is governed by the director of the Department of Natural Resources, the state treasurer, and three residents appointed by the governor with the advice and consent of the Senate. The bill would remove the director from the board and would add the attorney general, the state forester, and another state resident. The bill would specify that of the four residents appointed to the board, one would be a member of an association representing the forest products industry, one would be a commercial logging contractor active in a forest products industry, one would be an owner of nonindustrial, private forest land, and one would be from the wood products manufacturing industry. The bill would increase from three to four, the number of members constituting a quorum of the board and the number concurring that is necessary in order to take an action.

Part 505 established the Forest Development Fund to provide debt service on any bonds or notes issued by the board and for reforestation, forest protection, and timber stand improvement. The bill would add that money in the fund would be used for payments in lieu of taxes (PILT) on state forestland, the maintenance of sustainable forestry

certification, and to provide forest management assistance to private landowners. Revenue for the fund is derived from the cutting and sale of timber on tax reverted land. The bill would permit the fund to receive money from any other source.

House Bill 5553

The bill would amend Part 525 (Disposal of Timber from State Lands) of the Natural Resources and Environmental Protection Act to require the Department of Natural Resources to establish four forest pilot project areas no later than December 31, 2004 based on certain scientific silvicultural specifications. Each project area would have to be between 200 and 640 acres, two would have located in the lower peninsula and two would have to be located in the upper peninsula, at least one would have to be composed primarily of hardwoods, and at least one would have to be composed primarily of softwoods.

After the project areas are established, the DNR would solicit bids for the management of each area. The DNR would enter into a three-year contract for the management of the project area, with the contract including provisions related to the marking of timber, the harvesting of timber, and the reforestation of timber cutover areas.

House Bill 5554

Under Part 525 of the Natural Resources and Environmental Protection Act, the Department of Natural Resources is authorized to dispose of timber from state lands under the department's control under such rules and regulations as prescribed by the department. The bill would, instead, require the DNR to manage state forestland in a manner consistent with the principles of sustainable forestry. In doing so, the DNR would (1) consider the economic, social, and environmental values of the forest and management practices; (2) conserve and protect forest land; (3) communicate with the public; (4) promote continual improvement in forestry management practices; and (5) consider the local community surrounding state forestland.

The bill would require the DNR to adopt (and update as necessary) a forestry development, conservation, and recreation management plan for state forests that is designed to assure a stable, nondeclining, sustainable timber supply from state forestland. The plan would include identifying the interests of the forest products industry, local communities, the recreation community, and the tourism industry, and identifying the annual productivity of state forestlands and management goals. In addition, the plan would have to include (1) methods to promote and encourage the use of state forestland for forest projects, tourism, and outdoor recreation; (2) a landscape management plan that incorporates biodiversity goals, indicators, and measures; (3) sustainable forestry practices; (4) identifying natural areas designated under Part 351 of NREPA; and (5) identifying the need for forest treatments to maintain and sustain a healthy forest and quality habitat for wildlife and environmentally sensitive species. The DNR would have to harvest timber from state forestland in accordance with the management plan.

Proceeds from the sale of timber from state forestland would be deposited into the forest development fund.

The bill would also require the DNR to seek and maintain third-party certification that the management of state forestland is consistent with the principles of sustainable forestry. Beginning January 1, 2006, the DNR would have to ensure that all state forestland is certified.

Each January 1, the DNR would submit a report to the appropriate legislative standing committees and appropriations subcommittees concerning the number of harvestable acres determined by the certification program, the number of acres that were harvested, the number of cores of wood harvested, the status of management plan and any possible changes to the plan, and a description of the activities of forest pilot projects established under House Bill 5553.

FISCAL IMPACT:

House Bill 5552

The bill would have no fiscal impact on the state or on local governmental units.

House Bill 5553

Program funding would be redirected from planned forest management program efforts. No additional financial support would be required to carry out provisions of the bill. There would be no fiscal impact on local governmental units.

House Bill 5554

No new funding would be necessary to meet program expectations or to prepare the plans and reports required by the bill. There would be no fiscal impact on local governmental units.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.